# Daily Report

# Central Eurasia

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*FBIS-SOV-93-150* *6 August 1993*

CONTENTS

**NOTICE TO READERS:** An * indicates material not disseminated in electronic form.


**INTERREGIONAL AFFAIRS**

Russian Central Bank Said To Control Ruble Zone *[KOMMERSANT-DAILY 5 Aug]* ..... 1
ITAR-TASS Carries Press Review for 6 Aug ..... 1

**RUSSIA INTERNATIONAL AFFAIRS**

U.S. Specialists Inspect Chukotka Nuclear Power Station *[Moscow TV]* ..... 3
Agreement Reached on Opening Trade Mission in Alaska *[ITAR-TASS]* ..... 3
Russia Seen Aiding U.S. in Countering Islam *[ROSSIYSKAYA GAZETA 6 Aug]* ..... 3
U.S., NATO Policy in Balkans Viewed *[SEGODNYA 6 Aug]* ..... 4
Parliament Holds Closed Meetings on Rocket Engine Contract *[NEZAVISIMAYA GAZETA 5 Aug]* ..... 4
News Conference on U.S. Talks on Contract *[ITAR-TASS]* ..... 5
'Cause for Concern' Seen in DPRK Nuclear Stance *[IZVESTIYA 6 Aug]* ..... 6
Government Urges Ukraine To Review Stance on Nuclear Arms *[ROSSIYSKAYA GAZETA 6 Aug]* ..... 6
Defense Ministry Issues Statement on Troops in Tajikistan *[ITAR-TASS]* ..... 7
Lithuanian Backing for Estonia, Latvia Against Russia Noted *[ROSSIYSKAYA GAZETA 5 Aug]* ..... 7
Isakov on Lithuania's Reluctance To Sign Agreement *[Vilnius Radio]* ..... 8
'Unfriendly' Polish Demands Halt Brigade's Withdrawal *[Moscow TV]* ..... 8
Problems Encountered in Withdrawal *[ITAR-TASS]* ..... 8
Agreement With London Club on Debt Deferment Assessed *[IZVESTIYA 5 Aug]* ..... 9
'Noise' Over Submarine Sales to Iran Viewed *[IZVESTIYA 6 Aug]* ..... 9

**RUSSIA NATIONAL AFFAIRS**

**Political Issues**

Shumeyko Meets With Yeltsin, Decides To Stay *[NEZAVISIMAYA GAZETA 6 Aug]* ..... 11
Fedorov Resignation Reportedly 'Foregone Conclusion' *[NEZAVISIMAYA GAZETA 6 Aug]* ..... 11
Shumeyko Meets With Regional Administration Heads *[ITAR-TASS]* ..... 12
Government Members' Activities Reported *[ROSSIYSKIYE VESTI 5 Aug]* ..... 12
'Myths' About Democratic Russia Movement Viewed *[IZVESTIYA 5 Aug]* ..... 13
Parliament Accused of Trying To Suspend Yeltsin Decree *[Moscow International]* ..... 15
Democratic Organizations Call For Constitutional Conference *[Moscow TV]* ..... 15
CP Discusses Ties With Parties, Russians Abroad *[SOVETSKAYA ROSSIYA 5 Aug]* ..... 15
Poll: Yeltsin Most Popular Politician in Russia *[ITAR-TASS]* ..... 16

**Economic Issues**

Council of Ministers on Social, Economic Situation *[ITAR-TASS]* ..... 16
Chernomyrdin Outlines Key Points *[Moscow TV]* ..... 17
Suggest Fedorov 'Seek Another Job' *[ITAR-TASS]* ..... 18
Finance Ministry Confirms 'Denial' of Bank's Actions *[Moscow Radio]* ..... 18
Agricultural Leaders Meet To Define Main Issues *[Russian TV]* ..... 18
Discord in Moscow May Thwart Privatization Plans *[KOMMERSANT-DAILY 5 Aug]* ..... 18
Mistakes by 'Gaydar Reformers' Detailed *[ROSSIYSKAYA GAZETA 5 Aug]* ..... 19
Court Must Rule on Privatization War of Laws *[IZVESTIYA 5 Aug]* ..... 20

**Military & Space Issues**

Official Inaction on Rebel Servicemen Deplored *[IZVESTIYA 5 Aug]* ..... 21
Defense Sector Threatened by Strike From 6 Aug *[Moscow Radio]* ..... 22

Radio Reports Space Industry's Problems, Prospects *[Moscow Radio]* ..... 22
Agency Interested in Cooperation *[ITAR-TASS]* ..... 23
Agency Leaders 'Skeptical' on Future *[KOMMERSANT-DAILY 6 Aug]* ..... 23

**Supreme Soviet**

Presidium Secretary Previews 6 Aug Parliament Session *[ITAR-TASS]* ..... 24
Supreme Soviet Suspends Yeltsin Privatization Decree *[ITAR-TASS]* ..... 24
Chubays Assesses Impact on Privatization *[Moscow Radio]* ..... 24

**Regional Affairs**

Arrest Reportedly Made in Ossetian Murder Case *[Moscow TV]* ..... 25
Polyanichko Slaying Aggravates Situation *[ITAR-TASS]* ..... 25
Yeltsin-Chernomyrdin Statement on Polyanichko Published *[ROSSIYSKAYA GAZETA 5 Aug]* ... 25
Rally in Vladikavkaz; North Ossetia 'Tense' *[ITAR-TASS]* ..... 26
North Caucasus Forum Denounces Nationalities Policy *[NEZAVISIMAYA GAZETA 5 Aug]* ..... 26
Kalmykia Offers Mediation in Ossetian-Ingush Conflict *[KOMMERSANT-DAILY 5 Aug]* ..... 27
Further on Battle of Kursk 50th Anniversary ..... 27
Rutskoy Speaks at Commemoration *[Russian TV]* ..... 27
Rutskoy on 'Superpower' Status *[Radio Rossii]* ..... 28
Anniversary Reveals Conflict in Top Leaders *[KOMMERSANT-DAILY 5 Aug]* ..... 28
EBRD Gives $174.3 Million Loan to Tyumen Oil Industry *[ITAR-TASS]* ..... 29
Yakutia, Komi Want Continued Unequal Status for Regions *[KOMMERSANT-DAILY 3 Aug]* .... 29
Constitutional Commission Sends Draft to Regions *[NEZAVISIMAYA GAZETA 3 Aug]* ..... 29
Tatarstan President Reportedly Behind New Party *[NEZAVISIMAYA GAZETA 4 Aug]* ..... 30
Glazyev Gives Export, Import Figures During Arkhangelsk Visit *[Moscow Radio]* ..... 30

**UKRAINE**

**International Affairs**

Israeli Official, Ukrainian Ambassador Discuss Demjanjuk *[Kiev International]* ..... 31
Official Decries UNA-UNSO Activities in Georgia *[ZA VILNU UKRAYINU 31 Jul]* ..... 31
Kuchma Views Lithuania as Possible Oil Supplier *[Kiev International]* ..... 32

**National Affairs**

Growing Drug Use, Industry Detailed *[KYYIVSKA PRAVDA 20 Jul]* ..... 32
Defense Minister Reports Army Hardware Reductions *[UNIAR]* ..... 34
Council of Ministers Discusses Social Security Measures *[Kiev Radio]* ..... 34
Tariffs Raised for Natural Gas, Electric, Thermal Power *[Kiev Radio]* ..... 34
Minister Views Grain Harvesting Prospects *[Kiev International]* ..... 34
Ministry Reports Effect of Strikes *[Moscow Radio]* ..... 35
Leaders Urged To Stop Language Referendum in Donetsk *[Kiev International]* ..... 35
Civil Aviation Facing Crisis *[Moscow TV]* ..... 35

**CENTRAL ASIA**

**Kazakhstan**

Government Increases Fuel Prices *[KAZTAG]* ..... 36
Data on Budget for First Half of 1993 *[KAZTAG]* ..... 36
Government To Send Humanitarian Aid to Gorno-Badakhshan *[ITAR-TASS]* ..... 36
Nazarbayev Sends Condolences to Yeltsin, Polyanichko's Family *[Almaty Radio]* ..... 37
ROK-Kazakhstan Refrigerator Plant Opens in Karaganda *[Moscow TV]* ..... 37

**Kyrgyzstan**

Akayev Describes Gold Deal With Canadian Firm *[ROSSIYSKAYA GAZETA 5 Aug]* ..... 37
Military Leader Draws Up Mobilization Plan *[KYRGYZKABAR]* ..... 37

### Tajikistan

Foreign Ministry Statement on Gorno-Badakhshan Situation *[ITAR-TASS]* ..... 38
Rakhmanov Assures Aid Deliveries *[Dushanbe Radio]* ..... 38
Government Troops Continue Operations *[ITAR-TASS]* ..... 38
Situation 'Relatively Calm' on Border With Afghanistan *[ITAR-TASS]* ..... 38
Refugees Assail Kyrgyz Troops *[KYRGYZKABAR]* ..... 39

### Turkmenistan

Extra Checkpoints To Be Opened With Iran, Afghanistan *[ITAR-TASS]* ..... 39
Government Threatens To Cut Off Georgian Gas Supply *[Moscow Radio]* ..... 39

### Uzbekistan

Karimov Interviewed on Socioeconomic, Foreign Policies *[PRAVDA 5 Aug]* ..... 39
Outlines Stance on Tajikistan *[IZVESTIYA 6 Aug]* ..... 42
Issues Decree on Hard Currency Duties *[UZBEKISTAN APN]* ..... 42
Bank Seeks To Finance Projects With German Credits *[ECONOMIC NEWS AGENCY]* ..... 42

## CAUCASUS

### Armenia

Karabakh Cease-Fire Said Extended for Three Days *[Yerevan Radio]* ..... 43
NKR Leader's 'Commitment' To End Fighting Noted *[Yerevan Radio]* ..... 43
Russian Defense Ministry Military Adviser Visits *[SNARK]* ..... 43

### Azerbaijan

Government Seeks Immediate Withdrawal of Troops From Agdam *[ITAR-TASS]* ..... 43
Cease-Fire Being Observed Along Front Line *[ASSA-IRADA]* ..... 44
Baku Updates Situation, Reports Fighting 4-5 Aug *[Baku Radio]* ..... 44
Baku Supports CSCE-Sponsored Coordinating Commission *[AZERTAC]* ..... 44
Baku To Sign Agreement on National Security With Russia *[TURAN]* ..... 44
National Independence Party Opposes Referendum *[ASSA-IRADA]* ..... 44
Cabinet Holds Extended Sitting in Lenkoran *[ASSA-IRADA]* ..... 45
Party Statement Urges Referendum on Economic Union *[NEZAVISIMAYA GAZETA 5 Aug]* ..... 45
Abbasov Describes Principles of Presidential Press Service *[Baku Radio]* ..... 46

### Georgia

Shevardnadze Addresses Parliament Session 5 Aug *[Tbilisi TV]* ..... 46
Shevardnadze Defuses Crisis in Parliament *[ITAR-TASS]* ..... 48
Shevardnadze Meets Russian Envoys on Abkhaz Conflict *[ITAR-TASS]* ..... 48
Cease-Fire in Sukhumi Holding 6 Aug *[Tbilisi Radio]* ..... 49
Three Killed in Mkhedrioni Scuffle in Tbilisi *[Moscow Radio]* ..... 49
Abkhazia Reports Shooting in Shroma, Katsekhabla *[ITAR-TASS]* ..... 49
Abkhazia Protests Georgian Troop Reinforcement Plans *[ITAR-TASS]* ..... 49
North Caucasian Troops To Leave With Georgians *[IBERIA NEWS AGENCY]* ..... 49
Prime Minister Labels Economic Situation 'Crisis' *[SNARK]* ..... 50
New Deputy Internal Affairs Minister Appointed *[Tbilisi Radio]* ..... 50

## BALTIC STATES

### Estonia

President Accepts Defense Minister's Resignation *[ETA NEWS RELEASE]* ..... 51
Commander on Rebas Resignation, 'Armed Revolt' *[Tallinn Radio]* ..... 51
Government Drafting Bills To Implement Aliens Law *[ETA NEWS RELEASE]* ..... 51

Hard Currency Figures Show Increase in Gold Reserves *[Tallinn Radio]* ..... 51
Estonian Legal Citizens' Association Formed *[ETA NEWS RELEASE]* ..... 51

**Latvia**

Cabinet Discusses Budget Deficit *[ECONOMIC NEWS AGENCY]* ..... 52
New Internal Affairs Minister Holds News Conference *[Riga Radio]* ..... 52
Foreign Minister Receives New Korean Ambassador *[LETA]* ..... 52
Coast Guard Detains Estonian Fishing Boat *[BNS]* ..... 52

**Lithuania**

Butkevicius News Conference Views Russian Troop Withdrawal *[Vilnius Radio]* ..... 53
Official Denies Suspension of Russian Troop Withdrawal *[BNS]* ..... 55
Parties Note 'Concern' Over Negotiations With Russia *[Vilnius Radio]* ..... 55
More Radioactivity Discovered at Former Russian Army Base *[BNS]* ..... 56

## Russian Central Bank Said To Control Ruble Zone

*MK0508122893 Moscow KOMMERSANT-DAILY in Russian 5 Aug 93 p 3*

[Report by Artur Vardanyan, Konstantin Smirnov: "Interstate Bank Council Being Formed—Russian Central Bank Will Set Tone in New Bank's Activity"]

[Text] Russian Premier Viktor Chernomyrdin has appointed Central Bank Chairman Viktor Gerashchenko as Russia's official representative to the Interstate Bank Council, and Sergey Dubinin, the first deputy finance minister, and Vyacheslav Solovov, Central Bank deputy chairman, as his deputies. This points to a certain consistency in the actions by the Russian side in reforming the ruble zone. After the states who were unwilling to cede to Russia's Central Bank primacy in pursuing a credit and monetary policy were cut off, Russia became the first to take steps to reorganize multilateral settlements through the Interstate Bank, which will now conduct the Russian Central Bank's policy in the ruble zone.

In its practical activity, the Interstate Bank will primarily fulfill the functions of a multilateral clearing house. In accordance with its charter, however, the bank, within the confines determined by the contracting sides' legislative bodies, exercises coordination of monetary and credit policy of the member states, including control of cash and credit emissions. It is no secret to anybody that the ultimate body that will make decisions on monetary-credit and currency policy of the states participating in the new ruble zone will be the Russian Central Bank. This has been graphically illustrated by the 26 July action. At the same time, the Central Bank needs at least formal coordination of its decisions with the partners, primarily in the ruble zone.

The Interstate Bank will be implementing the Central Bank's policy. In accordance with the bank's charter, Russia holds 50 percent of the votes on its council—the supreme governing body. Its decisions are made by a qualified majority of three quarters of its membership. The bank's founders are both those firmly supporting the ruble zone—Armenia, Kazakhstan, Russia, Tajikistan, and Uzbekistan—and former Union republics, which have already pulled out of the ruble zone or are about to do so. The heterogeneity of the participants leaves the Central Bank room for maneuvering.

From the practical point of view, a condition for the Interstate Bank's normal operation are regular quotations by the national (central) banks of the member countries that have withdrawn from the ruble zone of their currencies against the ruble. The development of a new currencies market should reach a stage when these quotations will not be differing substantially from Russian Central Bank quotations.

In this connection, Western assistance in undertaking currency transformations could be effective, oriented toward the transfer of practical experience in forming currency unions.

## ITAR-TASS Carries Press Review for 6 Aug

*LD0608054793 Moscow ITAR-TASS in English 0447 GMT 6 Aug 93*

["Press Review"—ITAR-TASS headline]

[Text] Moscow August 6 ITAR-TASS—ROSSIYSKIYE VESTI, publication of the Russian Government, and TRUD write today about the meeting of the Council of Ministers, which is due to open in the Kremlin today. President Yeltsin, members of government, presidents and heads of parliaments of the constituent republics of Russia, heads of central bodies of federal executive power, heads of local administrations and councils of the territories, regions and autonomous entities of the Russian Federation are expected to take part in it. They will discuss the socio-economic situation in Russia and measures for stabilising it.

"I think the forthcoming meeting will be very important. It should sum up the results of the government's work for more than six months. The government should report back to the people," Professor Nikolay Shmelev, a well-known economist, writes in ROSSIYSKIYE VESTI. In his opinion, the first thing the government should do is to present a clear programme of the anti-inflation struggle. "There has been nothing but talk about curbing inflation so far," he points out.

ROSSIYSKIYE VESTI carries an article about the economic development of Russia. The newspaper comes to the conclusion on the basis of the analysis, made by the Centre for the Study of the Economic Situation at the Russian Government, that "the country is really moving over to market-based relations." The non-state sector of the economy is playing more and more important role. Some 30 million people, or about 40 per cent of the labour force, are now working at non-state enterprises. The amount of immovables belonging to private owners is growing. 6.3 million flats, or 19 per cent of all dwellings which are subject to privatization, have already been privatized. The inflation rate was reducing in Russia during all the six months of 1993. It reached 25 per cent in January, but in June it was only 17 per cent. "However, it is too early to say that a radical change has been achieved in the inflation level," the newspaper points out. ROSSIYSKIYE VESTI writes with reference to Russian Minister of Social Protection Ella Pamfilova that more than 70 per cent of Russian families with two or more children live below the poverty line.

KRASNAYA ZVEZDA publishes an article by its observer with the analysis of the developments at the Tajik-Afghan border. Answering the question included in the headline—Why Is Russia Compelled To Defend the Tajik-Afghan Border?—Aleksandr Pelts writes: "One of the reasons is that there are about 300,000 Russians in

Tajikistan. Besides, an open Tajik-Afghan border will promote the spreading of aggressive Islamism to the neighbouring Central Asian countries, up to the Russian border."

KOMSOMOLSKAYA PRAVDA carries a report of its correspondent from another hotbed of tension—the area of the Georgian-Abkhazian conflict.

He writes that Sukhumi, the administrative centre of Abkhazia, has been cut off from water and electricity supply. People cook food at fires set right in the streets or at the staircases of many- storeyed buildings.

In the opinion of the newspaper, the disengagement of troops, the movement of disengagement forces and international observers to the conflict zone are the main problems today.

The newspaper also published an exclusive interview with Guntis Ulmanis, the first post-war president of Latvia. He stressed that he regarded as his priority task the resumption of talks with Russia, "of course, on the problem of troop withdrawal."

PRAVDA frontpages an article entitled "We Wish You Good Health, Mr. President." It repeats rumours about President Yeltsin's health. The newspaper believes that the law "On the health condition of top officials" should be adopted in this country.

## U.S. Specialists Inspect Chukotka Nuclear Power Station

*LD0508155793 Moscow Ostankino Television First Channel Network in Russian 1400 GMT 5 Aug 93*

[From the "Novosti" newscast]

[Text] U.S. specialists have gone to Chukotka to inspect a small nuclear electric power [AES] station, which they think may pose a threat to inhabitants of the American state of Alaska. The station is one of the old Soviet AES, the condition of which is causing anxiety.

## Agreement Reached on Opening Trade Mission in Alaska

*LD0508193293 Moscow ITAR-TASS in English 1913 GMT 5 Aug 93*

[By Business-TASS]

[Text] Moscow August 5 TASS—An arrangement to open a Russian trade mission in the U.S. state of Alaska was reached in Magadan during a meeting between Russian Minister of Foreign Economic Relations Sergey Glazyev and representatives of the Alaskan governor. The memorandum was also signed by Yakutian Minister of Foreign Economic Relations Vitaliy Artamonov.

The mission's opening will help step up foreign economic ties of Siberia and the Far East with North America and will enable business people of these Russian regions to have direct contacts with partners in the U.S.

## Russia Seen Aiding U.S. in Countering Islam

*PM0608095593 Moscow ROSSIYSKAYA GAZETA in Russian 6 Aug 93 First Edition p 1*

[Vladimir Kuznechevskiy "Commentary": "'Victim of Islamic Roulette' Urgently Required, Or Who Is Threatened by Islamic Fundamentalism"]

[Text] Events on the Tajik-Afghan border are attracting increasing attention from the international public. As far as the mass media is concerned, it is probably the number two topic after the Bosnian tragedy. This is understandable: After a break of almost five years, a threat has arisen that Russia will again be involved in a large-scale military conflict. If this happens, the world's leading powers will scarcely be able to remain on the sidelines. The same goes for those that are not leading powers. The Afghan war demonstrated this very clearly.

Meanwhile the Western press has carried vague hints (picked up by Radio Liberty 3 August) that the actions of the Afghan mojahedin (fighters for the holy cause of Islam) and the armed Tajik opposition had support from Iran in the area of the 12th Border Post 13 July.

No facts are cited to corroborate these reports. The rumors simply remain rumors. But a shadow has been cast over Iranian-Russian relations. Maybe this is what the authors of the rumors were seeking? One way or another, Yevgeniy Primakov, director of the Russian Foreign Intelligence Service, has visited Kabul and then Tehran. The meager information that leaked out during the visits confirms that the subject of the talks held by this representative of the Russian leadership is precisely Islamic fundamentalism.

It has to be said that attempts to bring Russian political interests into conflict with those of certain Muslim states on the pretext that Islamic fundamentalism is hostile toward our interests have long been made. ROSSIYSKAYA GAZETA has already written about this. In particular, the article by Nikolay Fedorov, former minister of justice, in the 14 May issue already drew attention to the fact that the Russian leadership is being urged to resort to strong-arm methods of reacting to the Islamic fundamentalist movement "on the pretext of preventing the disintegration of the Russian Federation." N. Fedorov described this reaction as inappropriate.

However, it is well known that Islamic fundamentalism regards so-called U.S. imperialism as its main enemy. It is also well known that in recent years the CIA and the U.S. State Department have been waging an increasingly fierce struggle against this movement. As U.S. Under Secretary of State Edward Djerejian said recently, America is seeking "unimpeded commercial access to the huge oil reserves in the Arabian Peninsula and the Persian Gulf." And in this connection it cannot fail to be concerned at the fact that within the environment, as he put it, "of political Islam or Islamic fundamentalism," "there are groupings that would like to restructure their societies in accordance with Islamic ideals." In particular, he said, "we are seriously worried by Iran's use of Islamic extremist groupings" and by Iran's pursuit of a "destabilizing policy."

Representatives of "political Islam" feel that the United States is paying close attention to them for the aforementioned reasons. But they have yet another argument in this confrontation. They are convinced that Israel, which has forcibly taken from the Muslims of the whole world their holy place—Jerusalem—is the enemy of their faith.

However, it is well known that the United States, where the Jewish lobby in Congress and in the government is one of the most powerful, remains the guarantor of the existence of the State of Israel. Not to mention the fact that a considerable proportion of U.S. finances is controlled by persons of Jewish origin. Hence the spearhead of Islamic fundamentalism's struggle against Israel is increasingly often directed against the United States as well.

All the indications are that the United States cannot avoid a confrontation with the fundamentalists.

But as America sees it, it will take time to win this battle since the power of money and the might of weapons are

powerless here. So the United States has to seek comrades in this struggle who can at least partially divert the efforts of the champions of jihad. Washington's traditional Western allies cannot help it here, since nobody wants to make enemies in an area reeking of oil.

The USSR's intervention in Afghanistan was a stroke of luck for the United States in this regard. But the Soviet troops left Afghanistan. How can the vanished distraction be restored? The answer is obvious—persuade Russia that Islamic fundamentalism is on the march against its southern borders (whether Tajikistan or Chechnya does not matter).

However, the question for Moscow is whether it should get involved in this struggle against the extremist wing of Islamic fundamentalism? And an armed struggle too? Surely it is better to try to get out of the game by means of political actions, rather than missile and bombing strikes, as Russian Foreign Minister Andrey Kozyrev is proposing? Especially as the Islamic world is not united, and much of it is in no hurry to have Russia in the camp of its enemies. Thus in late July, Islamic Conference Organization Secretary General Hamid Algabid offered to mediate in political dialogue before the conflict on the Tajik-Afghan border developed into a large-scale war. He sent a written message to Boris Yeltsin, Emomali Rakhmonov, and Borhanoddin Rabbani to get Russia, Afghanistan, and Tajikistan to sit down at the negotiating table. Uzbekistan will probably join this trio as well. And this is a very promising step.

So maybe political talks with leading politicians in the Islamic world will be given priority in resolving the problem that has arisen on the Tajik-Afghan border? Instead of pulling chestnuts out of the fire for somebody else. While at the same time responding appropriately to armed provocations, of course.

## U.S., NATO Policy in Balkans Viewed

*MK0608102293 Moscow SEGODNYA in Russian No. 40, 6 Aug 93 (signed to press 5 Aug) p 5*

[Pavel Felgengauer commentary: "Death from the Skies (Apocalypses Now)"]

[Excerpt] [passage omitted] Simultaneously and independently from the latest Serb attack, after a pause of several months, Washington has unexpectedly invigorated its Balkans policy. On 1 August, a State Department spokesman declared "the United States is ready to independently execute bombing and assault strikes against Serbian positions near Sarajevo if other NATO member states do not support it."

The United States' NATO allies, however, chose a lesser evil, and so as to somehow control the unpredictable Washington, they unanimously voted Monday night for a joint military operation. More than 60 assault aircraft from the United States, Great Britain, France, and Holland are concentrated on bases in Italy as well as on aircraft carriers in the Mediterranean. NATO Secretary General Manfred Woerner announced that "air strikes will take place unless the Serbs stop strangling Sarajevo."

The decision to bomb must also be coordinated with the UN. No new Security Council resolution will apparently be required, however. Consequently, no one will be asking Russia's consent as a permanent Security Council member. Presumably UN Secretary General Butrus-Ghali's individual decision would be sufficient. At any rate, this is the opinion of Butrus-Ghali himself, who noted in a special letter to U.S. Secretary of State Warren Christopher that it is he who will decide what, where, and when NATO air forces will strike.

It seems that the time of threats and sanctions has expired. The Serbs have been criticized and threatened for too long and now they are afraid of nothing. At the same time, President Clinton has been persuaded that he must do "at least something to save Sarajevo." Even if Lord Owen comes up with yet another brilliant plan for a peaceful settlement at the last moment, that would only postpone the inevitable escalation of the conflict for a few weeks.

In the meantime, the endless coordination meetings at NATO and the UN would just as inevitably turn any air "peacekeeping" operation into a farce. It would stir up the Serbs rather than quiet them. In any event, nothing like Desert Storm could be expected in terms of effectiveness. An air assault makes strategic sense only if followed up by infantry, which can destroy a weakened and stunned enemy. The UN troops in Bosnia, however, are not only unprepared to attack now, but would hardly be able to defend themselves if the Serbs were to retaliate. To the French, Sarajevo could become another Dien Bien Phu.

Sarajevo's main lesson, however, lies elsewhere. In Bosnia, the general concept of the UN peacekeeping troops is visibly dying: the principle of disengagement and mediation. The failures of the past years can still be ascribed to the specific conditions of the inter-bloc confrontation between West and East. But now no reasonable explanations have been left except that war is inherent to civilization and peace is achieved not by disengagement of sides, but by their mutual annihilation.

## Parliament Holds Closed Meetings on Rocket Engine Contract

*MK0508120493 Moscow NEZAVISIMAYA GAZETA in Russian 5 Aug 93 p 2*

[Ivan Rodin report under "Parliament" rubric: "Hearings on a Scandalous Contract. Cryogenic Engines Worry Deputies"]

[Text] On Tuesday, the Russian Federation Supreme Soviet's Committee on International Affairs and Foreign Economic Relations held parliamentary hearings on the Russian-Indian contract on the delivery of rocket engines and technology for their production. The hearings consisted of two parts—an open and a closed part.

The former was virtually useless: The speakers promised to present the most convincing arguments during the closed session, or else they were stopped and reminded that outsiders were present and were invited to make a particular point within a tight in-circle. A Foreign Ministry spokesman from the very start of the hearings stated that in his department, everything connected with the Russian-Indian contract has long been classified "for official use only" and demanded that the newspeople and all outsiders be told to leave the house.

Nonetheless, one interesting document did leak out. It was disseminated to the participants in the hearings, and that included journalists; this incidentally aroused some discontent among the organizers. The document in question contains proposals by the Russian Federation Ministry for Foreign Economic Relations [MFER] on overcoming the consequences of the decision not to deliver cryogenic engine technology to India.

The MFER believes that direct and projected losses would amount to between $800 million and $1 billion. The MFER advised that the United States has transferred to Russia a list of another 12 proposed transactions that "worry" them and which come under the memorandum and a number of declarations signed and initialed in Washington. In particular, one of them—a joint declaration on information exchanges on the export of goods and technology, the MFER stresses—provides for exchanges of secret and strictly confidential information "envisioning preliminary consultations with the partners about its possible transfer to a third party." The MFER also views the "Washington package" as a threat to missile-space collaboration within the CIS framework.

The document emphasizes that Russia has received no particular promises from the United States in exchange for joining the missile technology control regime. The MFER believes that giving Russia access to the space service market does not signify its automatic victory in tenders for various orders. At the same time, the MFER reports that "the Americans have had their way in getting us to assume unilateral obligations on minimum prices and the number of space launches, obligations which are tougher than those we bear under a similar agreement with the EC." Proceeding from this, the MFER deems premature the note by Russian Ambassador in the United States Vladimir Lukin to the U.S. secretary of state about putting into effect the memorandum signed as of 1 November, especially considering that the Supreme Soviet has extended its powers of ratification to this kind of document.

The MFER proposes that the Russian Space Agency and Glavkosmos hold talks with the Indian side and make their proposals at a special session of the Russian Federation government. At the same time, the statement by the Foreign Ministry on Glavkosmos' inability to carry out its obligations under the contract with India must be deemed invalid. The foreign intelligence service should provide the government with information about the possible steps by the Indian side and also the reaction of other countries in the Asia Pacific Rim, after which the Foreign Minister should work out a program to neutralize the negative consequences of terminating the deal. The MFER insists that a special government commission be formed to consider all the implications of the Russian-U.S. agreements and prepare a report to the government and a draft resolution, as well as a report for the upcoming ratification in the Supreme Soviet, which apparently is not going to be easy.

It is noteworthy that the Supreme Soviet's Committee on International Affairs and Foreign Economic Relations has struck out the affiliation of the memorandum's author (MFER), not wishing to make public any disagreements within the government. They forgot, however, to do this in one place. Until this fact was uncovered, the hearing organizers covered the memorandum up with their name, but when the truth came out, they refused to comment.

### News Conference on U.S. Talks on Contract

*LD0508173493 Moscow ITAR-TASS World Service in Russian 1505 GMT 5 Aug 93*

[By ITAR-TASS correspondent Veronika Romanenkova]

[Text] Moscow, 5 Aug—Something that is dubious from the point of view of security should not be developed. This approach was used at the recent Russian-American talks in the United States regarding the Russian-Indian contract to sell Russian cryogenic engines and technology. As a result, a package of documents has been prepared for a meeting between Russian Prime Minister Viktor Chernomyrdin and U.S. Vice President Albert Gore scheduled for the beginning or middle of September, Yuriy Koptev, general director of the Russian Space Agency, said at a news conference today.

According to the specialist, the contract envisages the transfer to India of Russian technology that can be used in the manufacture of military missiles. The contract, he added, contradicts the international agreement on monitoring the export of equipment and technology for missiles with nuclear warheads, signed in 1987 and whose regime is being observed by 23 countries at present.

Vladimir Pivnyuk, a specialist-expert of the government department for the defence complex and conversion, thinks that Aleksandr Dunayev, head of Glavkosmos [Main Space Directorate], was "the number one culprit" in the fact that the Soviet-Indian contract initially contradicted this regime and that recently feelings were running high over the contract. Vladimir Pivnyuk stressed that perhaps, "apart from the Indian deal," there were other similar treaties, since lately "there has been no control over foreign economic activity." However, they are being specially checked at present. Ways are being sought to bring the Soviet-Indian contract in line with the international regime. The expert called a possible compromise the first step toward enabling

Russia "to join the regime club" so that in the future it could be represented on the world market of space technology and services.

### 'Cause for Concern' Seen in DPRK Nuclear Stance

*PM0508175093 Moscow IZVESTIYA in Russian 6 Aug 93 First Edition p 3*

[Vladimir Skosyrev report: "UN Inspectors Investigate Nuclear Reactor in North Korea"]

[Text] Beijing—Pyongyang has again made a concession to Washington, which fears that North Korea is on the brink of creating its own nuclear bomb.

You will remember that, as a result of the June talks between North Korean and American diplomats, the DPRK decided to temporarily postpone its withdrawal from the ranks of signatories to the Treaty on the Nonproliferation of Nuclear Weapons. Now the DPRK has made a new conciliatory gesture. It has allowed three International Atomic Energy Agency [IAEA] inspectors to visit the country.

The inspectors are already in the DPRK, and they intend to replace movie film and other equipment making it possible to monitor the work of the small scientific-research reactor and laboratory in the nuclear complex in the city of Yongbyon [Yengben].

The IAEA, an associated organization of the United Nations, has carried out a check on Yongbyon before. But since March this year, when the North Korean leaders startled the world community by threatening to pull out of the nonproliferation treaty, no inspectors have been granted access to the nuclear facility. The conflict grew. And now, after the very real possibility emerged that UN economic sanctions might be imposed against Pyongyang, it has accepted a compromise. The IAEA chairman in Vienna evaluated the decision to resume checks as a positive step.

However, the DPRK is still refusing to permit an inspection of the two regions where it is suggested that nuclear waste is buried. Yet study of these deposits could provide an answer to a key question: Does the DPRK have sufficient fissionable material to produce a nuclear warhead?

So there remains cause for concern. Especially as Pyongyang is not averse to playing on the vagueness of its nuclear status in order to achieve a continuation of diplomatic dialogue with the United States, and even to try to obtain know-how from it on peaceful uses of the atom. Some of which it has already achieved. The U.S promise to help the North Koreans to modernize their nuclear reactors was part of the compromise agreement between Pyongyang and Washington.

But whatever progress may have been made in settling the nuclear problem with the DPRK, that country continues to pursue intensive developments in the sphere of missile armaments. A few days ago, U.S. CIA Director J. Woolsey confirmed that the DPRK has conducted a test of a ballistic missile with a range of 1,000 km and capable of carrying a nuclear or chemical warhead. Once it starts mass production of these weapons, the DPRK will be able to sell them for hard currency—first and foremost to the unstable region of the Middle East.

### Government Urges Ukraine To Review Stance on Nuclear Arms

*PM0608105193 Moscow ROSSIYSKAYA GAZETA in Russian 6 Aug 93 First Edition p 3*

[Undated "Russian Federation Government Statement" carried under the "Official" rubric]

[Text] Kiev has recently taken a number of steps to establish control over the nuclear weapons on Ukrainian territory. On 2 July 1993 the Ukrainian parliament approved a document entitled "Basic Guidelines for Ukraine's Foreign Policy" in which Ukraine declares itself to be the owner of these weapons. This act by parliament was supported in subsequent public statements by the Ukrainian leadership. The Ukrainian Defense Ministry adopted a decision to include the troops storing and operating nuclear munitions within the 43d Missile Army, which is under its command. Direct Ukrainian control over nuclear weapons is thereby established.

In this connection the Russian Federation Government deems it necessary to state the following.

This line by Kiev, which is causing concern in the world, is leading to extremely serious consequences for international stability and the security of the entire system of international relations.

By declaring itself to be the owner of nuclear weapons, Ukraine is violating the international commitments which it adopted regarding its non-nuclear status and is thereby openly challenging international law and order and fostering legal nihilism in international relations.

Kiev is directly violating a number of agreements concluded within the framework of the CIS, in particular the decision of 6 July 1992 by the CIS heads of state whereby only the Russian Federation among the legal successor states to the USSR is a state possessing nuclear weapons.

The Lisbon protocol to the START I treaty, whereby Ukraine pledged to accede to the Treaty on the Nonproliferation of Nuclear Weapons within a very short time as a nonnuclear state, is also being violated. The written statement by the Ukrainian side in connection with the signing of this protocol places it on record that "... with the explicit consent of Ukraine and all other legal successor states to the former USSR, the right and burden of

possessing the nuclear weapons of the former USSR was reserved for the Russian Federation alone."

Kiev's line is also at odds with Ukraine's pledge regarding the withdrawal of nuclear weapons from its territory with the aim of dismantling and destroying them before the end of 1994.

The existing regime of the nonproliferation of nuclear weapons, which is based on the 1968 treaty, is being undermined, and the treaty itself, whose fate will be decided at a conference in 1995, is under threat. A dangerous precedent is being set which might be exploited by countries on the threshold of possessing nuclear weapons.

The results of many years of efforts by the international community in achieving nuclear disarmament, above all the START I and START II treaties, are being torpedoed.

Since Ukraine does not have the appropriate material and technical and technological infrastructure, the fact that it is establishing control over nuclear weapons considerably increases the risk from the viewpoint of nuclear and environmental safety, and the entire responsibility for this certainly lies with Ukraine.

The Russian Federation, as the sole legal successor to the USSR with regard to the possession of nuclear weapons and as depositary of the Treaty on the Nonproliferation of Nuclear Weapons, cannot deem lawful any claims or actions at variance with international accords on preserving and strengthening the regime for the nonproliferation of nuclear weapons. We call on Ukraine to take all measures to ensure strict observance of its nonnuclear status as envisaged by international agreements and to review the aforementioned decisions by Ukraine's parliament and Defense Ministry on establishing control over nuclear weapons.

At the same time the Russian Federation expresses readiness to continue cooperation with Ukraine in ensuring the nuclear and environmental safety of nuclear weapons on the basis of the theses set out in Russian Federation President B.N. Yeltsin's message of 30 April 1993 to the president of Ukraine.

## Defense Ministry Issues Statement on Troops in Tajikistan

*LD0608104393 Moscow ITAR-TASS World Service in Russian 0837 GMT 6 Aug 93*

[By ITAR-TASS correspondent Roman Zadunayskiy]

[Text] Moscow, 6 Aug—"Russian armed forces, represented in Tajikistan by the 201st Motorized Infantry Division, are not taking part in military actions on the territory of Gorno-Badakhshan." This is said in a statement given to ITAR-TASS today by the Russian Federation Defense Ministry's Information and Press Directorate. The statement was issued in connection with the fact that contradictory reports in the mass media coming out of Tajikistan's Gorno-Badakhshan Autonomous Oblast—which has become the object of the world community's intense attention—claim that Russian armed forces subdivisions are supposedly participating in the conflict in the border areas of this oblast on the side of Tajikistan Government forces.

"It is appropriate to recall," the Russian Defense Ministry document notes, "that Russian troops are on the territory of Tajikistan at the request of the lawful government of this sovereign state in complete accordance with the spirit and the letter of the Treaty on Friendship, Cooperation, and Mutual Assistance signed in Moscow on 25 May 1993. Apart from this, both Russia and Tajikistan are participants in the collective security treaty which envisages mutual assistance, including military aid, to any participating state in the event of aggression against it. In accordance with this agreement and the Russian Federation presidential decree of 27 July 1993, Russian troops, while not interfering in the internal affairs of Tajikistan, are guarding vitally important establishments and carrying out measures to increase the defense of the Tajik-Afghan border and to supply humanitarian aid to the most hard-hit regions, including some in Gorno-Badakhshan Autonomous Oblast, and are also ensuring the security and legal rights of the Russian community in this region."

The unfounded attempts to cast a shadow on the peacekeeping role of the Russian 201st Motorized Infantry Division only play into the hands of the destructive forces that want to continue the fratricidal conflict on Tajikistan soil, the Russian military department's statement stresses.

## Lithuanian Backing for Estonia, Latvia Against Russia Noted

*PM0508140593 Moscow ROSSIYSKAYA GAZETA in Russian 5 Aug 93 First Edition p 7*

[Yuriy Stroganov report: "Lithuania Linked With Baltic Republics"]

[Text] Vilnius—The 1920 peace treaties between Russia and Estonia and Russia and Latvia are an important legal foundation in the relationship between those states that is of abiding historical and international importance and determines the stability and good-neighborly relations in the Baltic region. This was stated in a Lithuanian Foreign Ministry statement in connection with the Russian Supreme Soviet Presidium's intention to denounce these peace treaties.

Russia's reaction to the latest legal acts adopted in Estonia has been negatively assessed by the Lithuanian leadership. A special delegation which traveled to Tallinn set out President Brazauskas' position: "We understand the main principles which Estonia has followed on citizenship issues, and we support its decisions. We oppose any attempts to pressure this country."

From the very outset of the independence struggle Lithuania and the other Baltic countries have tried to coordinate their efforts and adopt a "united front." Following the advent to power of left-wing forces in Lithuania some politicians thought that the republic would start to drift away from its neighbors. But recent statements by officials show the opposite to be true.

This desire for united action is not only being expressed in political declarations. The military in Latvia, Lithuania, and Estonia are also striving to coordinate their efforts. Not so long ago, for instance, joint exercises were held, following which the leaders of the Baltic military departments expressed the view that it is necessary to set up joint peacekeeping subunits under UN auspices. Certain actions linked to material support for the armed forces are also being carried out.

### Isakov on Lithuania's Reluctance To Sign Agreement

*LD0508160793 Vilnius Radio Vilnius Network in Lithuanian 1300 GMT 5 Aug 93*

[Text] Viktor Isakov, prior to the arrival of our delegation in Moscow, told correspondents at a news conference that a message had been received from Vilnius about the postponement of the visit by the Lithuanian president to Moscow, and that the text of the agreement should be improved.

This is his reaction: The submitted supplements to the agreement, in his opinion, are unacceptable to Russia. Isakov says that this is the result of influence by the Lithuanian opposition, and also an attempt by Vilnius to thwart the signing of the prepared document. Lithuania has also not been in a hurry to sign this agreement in the past , maintaining that the signed schedule on the withdrawal of the Army, which is being implemented by Russia, was sufficient.

However, he stressed, the signed agreement would juridically register the process of the withdrawal. Apart from that, it provides for the mechanism of implementing some provisions that are of importance to Russia, for example, social insurance to the retired servicemen.

### 'Unfriendly' Polish Demands Halt Brigade's Withdrawal

*PM0608092993 Moscow Ostankino Television First Channel Network in Russian 1700 GMT 4 Aug 93*

[By Yuriy Ulyanov from Poland; from the "Novosti" newscast]

[Text] [Ulyanov] Originally, this was supposed to be a report on how the last major Russian Army unit leaving Poland is being seen off. It has ended up as a report on why our soldiers are staying.

On the eve of the planned withdrawal there came the news that the Warsaw voivoda had banned the farewell ceremony for the signals brigade, which, incidentally, is leaving Poland ahead of schedule.

Well, that is not the end of the world. Worse was to come. The withdrawal of Russian troops from Poland is almost complete. Yet their withdrawal from Germany will continue until the end of next year. It was therefore decided to set up a military mission consisting of 30 officers to provide backup for the transit of Russian troops from Germany. For the time being these tasks are carried out by a group of our military railroad men who are housed at the Warsaw Railroad headquarters. They have all the necessary communication facilities to safeguard the smooth progress of trains from Germany via Poland to the Russian border. Suddenly a representative of the Polish Government has demanded that the mission cannot be located just anywhere, it must be housed at the Russian Embassy in Warsaw. Naturally, both the diplomats and the military object to this. In response to this patently unfriendly act by the Polish authorities, the command of the Northern Group of Forces has suspended the withdrawal of the brigade from the Warsaw region until the Russian servicemen have equipped the Russian mission's premises with the necessary facilities.

### Problems Encountered in Withdrawal

*LD0608100593 Moscow ITAR-TASS World Service in Russian 1501 GMT 6 Aug 93*

[By ITAR-TASS correspondent Igor Shamshin]

[Text] Warsaw, 5 Aug—All of the concern that has been generated at someone's initiative in Warsaw for several days now over the issue of creating a Russian military mission in Warsaw to see to the transit of our troops from Germany through Poland has caused surprise.

The issue is simple: after the final withdrawal of our units from Poland, which will be happening very soon, a mission of 23 officers and seven army civilian employees should be set up according to an intergovernmental agreement covering this. It would be rational for the mission to be stationed where there has for many years been a Russian representation for military transportation. Suddenly, however, the Polish side has announced that the mission should be housed in the Russian embassy in Warsaw, where, obviously, there is not the required infrastructure for this—no systems for controlling the movement of echelons or plane flights.

The solution to this problem came at the same time as a communications brigade was to be withdrawn from the small town of Rembertow, outside Warsaw. Since the Polish side is not providing a building for the mission being set up, the Commander of the Northern Group of Forces, Colonel General L. Kovalev, has been forced to suspend the withdrawal of the communications brigade for a couple of days in order to keep some of this garrison's premises for possible use by the military mission.

Someone gave the order for a political stir in connection with this move and for hints that the brake was being applied to withdrawal of Russian troops from Poland. There is no need even to disprove statements that are so far from the truth: the withdrawal of units is taking place faster than envisaged by the timetable—at the request, incidentally, of Polish head of state Lech Walesa, a request he addressed to President Yeltsin. Russia has made no claims in this respect. In Warsaw they say that someone needed "to demonstrate decisiveness" in relations with Russians during the parliamentary pre-election campaign. But was this done?

It's very strange that the Polish side has also refused to reserve apartments for the officers of the military mission in the residential blocks being left by our brigade. Can anyone really regard it as a constructive approach when officers are refused work premises and even housing? Gen. Kovalev's concern when, answering a question from an ITAR-TASS correspondent, he said that the unsolved issue of the mission threatens the more serious issue of keeping to the timetable for transit of our troops from Germany is quite understandable.

The communications brigade will have left for the motherland by Friday 6 August, following an unavoidable three-day delay. The authorities in Warsaw have openly refused to take part in seeing it off, saying the event is not that important. But, of course, there will be people seeing it off.

## Agreement With London Club on Debt Deferment Assessed

*PM0608092593 Moscow IZVESTIYA in Russian 5 Aug 93 First Edition p 2*

[Report by Aleksey Portanskiy: "Agreement With London Club Signed on Favorable Terms"]

[Text] In the final days of June agreement was reached between Russia and the London Club on the deferment of payments on the former Union's debts to 600 Western commercial banks belonging to that club, which as of now total $24 billion.

In 1993 Russia should have paid the London Club $3.5 billion but in accordance with the agreement which has been signed we will pay only $0.5 billion, Russian Federation First Deputy Finance Minister Andrey Vavilov stated at a press conference on the subject on Tuesday. The remaining debt has been deferred for five years and payments will be made over this period.

As we know, in April, as a result of the agreement with the Paris Club (the main states which are Russia's creditors) our country was granted a 10-year deferment for the payment of the USSR's debts to the sum of $15 billion, which was the West's biggest step to support the Russian reforms. Here the text of the agreement with the Paris club included a provision according to which other creditors do not have terms better than the Paris Club's official creditors.

The Paris Club's "generosity" met with some dissatisfaction from some Western banks, particularly French banks. And so experts voiced the doubt that other creditors, particularly the London Club, would indeed accept the same rules of the game. Fortunately, these forecasts were not justified and the sum which we must pay to the London Club is proportionately comparable to the payment to the Paris Club states ($1.9 billion in 1993), which accords with the principle of treating all creditors equally. As a result it may be said that as of today Russia, as A. Vavilov stressed, has agreed with all main creditors on the principles for restructuring the foreign debt.

Cases of the deferment of the payment of debts and the writing off of a part of their foreign debt are widely known in the practice of international aid to states experiencing profound economic crisis. Russia has not yet made requests for part of its debt to be written off or to be completely released from payment of the interest. But reports recently came in from Washington via news agencies that consultations have begun in the IMF on the question of writing off part of the USSR's foreign debt. Your IZVESTIYA correspondent asked Andrey Vavilov to comment on this information.

"The process of talks with creditors has its own logic," the Russian Federation deputy finance minister said in reply. "The main task now is the fulfillment of those agreements which we have already signed. And if creditors are sure of our ability to fulfill them then in that case there can be talk of various forms of settling the foreign debt problem, including writing off part of it."

To have some objective grounds for this method it is essential to compile in more detail the forecast of the country's balance of payments and the possibilities for Russia's servicing of its foreign debt and also to have an idea of other features of the economy's development for a long period, at least 10 years. And only on the basis of these figures is it possible to raise the question of the proposal to write off part of the foreign debt as a method of settling relations with creditors. So far we do not have these forecasts. But, of course, the IMF is working on forecasting Russia's balance of payments and the state of its economy.

## 'Noise' Over Submarine Sales to Iran Viewed

*PM0608131993 Moscow IZVESTIYA in Russian 6 Aug 93 First Edition p 3*

[Report by Vladimir Mikheyev: "Enhanced Background Noise Around Submarine which Moscow Has Sold to Tehran"]

[Text] One more submarine of Russian origin was sold recently to Iran—in accordance with the contract according to which a total of three submarines with diesel engines will be sold for a total of about $600 million.

The first, which reached the purchaser in November of last year, has already been registered at the port of Bandar-e 'Abbas, situated in the very mouth of the Persian Gulf. But so far no special activity by Iran's submarine fleet is to be observed. In the opinion of Western experts this fleet will be able to carry out operational-tactical missions only after the number of submarines reaches three, although "it will still take years of training for the personnel to master combat skills" (REUTER).

Specialists note that the Russian submarine is extremely noisy and therefore it is quite easy to find it in the shallow Persian Gulf waters. Nonetheless, REUTER notes, the sonar installed on Western ships and helicopters is inferior to Russian counterparts in terms of precision in the summer, when the temperature sometimes exceeds 50 degrees Centigrade and the water is extremely salty.

Specialists in military naval matters acknowledge that it will be quite a while before the Iranian navy starts to present a serious threat in the region. "Much depends on how good Iran's maps of the Persian Gulf bed are," one expert noted. Observers report that although a submarine of this class can remain submerged for two to three weeks the Iranian submarines have been able to stay under water for only a few hours.

Nonetheless the Persian Gulf countries and primarily the Arab Emirates are expressing concern and hint at the likelihood of buying arms from the West to counter the growing threat. These are so far only intentions but Britain and the United States, which have traditionally kept substantial forward-based forces in this region, have sent additional nuclear-powered missile-carrying submarines there. In late July Washington added the nuclear-powered submarine Pasadena to the squadron here headed by the aircraft carrier Abraham Lincoln.

There are reports that the Western allies have installed detectors along the entire Western seaboard of the Persian Gulf and also on the sea bed to keep track of the movements of the Iranian submarines.

Although professionals do not yet take seriously the hasty conclusions regarding the change in the balance of forces in the region, the enhanced background noise in the Western press around the submarines for Iran persists.

## Political Issues

### Shumeyko Meets With Yeltsin, Decides To Stay

*MK0608081493 Moscow NEZAVISIMAYA GAZETA in Russian 6 Aug 93 p 1*

[Unattributed report under the "In Brief" rubric; "Vladimir Shumeyko's Choice"]

[Text] A closed-door conference of the interdepartmental commission on combating crime and corruption under the Russian Federation Security Council was held yesterday. It was chaired by Boris Yeltsin, who said that from now on, the commission would meet every week. During the session, acting Justice Minister Yuriy Kalmykov and General Prosecutor Valentin Stepankov made presentations. Conference participants were told about the results of Internal Affairs Ministry organs' efforts to fight crime during the first six months of the year. Over this period around the country, 648,462 crimes were reported, or 13.3 percent more than during the first six months in 1992. According to an unofficial but sufficiently informed source, Boris Yeltsin suggested during the first day of the conference that Vladimir Shumeyko decide his own future: either to remain in the government if he considers himself "untainted", or to resign if he does not. The president promised to make the latter step as painless as possible for Shumeyko. Vladimir Shumeyko chose the former step.

### Fedorov Resignation Reportedly 'Foregone Conclusion'

*MK0608091493 Moscow NEZAVISIMAYA GAZETA in Russian 6 Aug 93 p 1*

[Ivan Zasurskiy commentary under the "Intrigues" rubric: "Antireformers Are Expected to Win at Today's Russian Government Session But There Is No Hope That the Winners Will Know What To Do with the Economy"]

[Text] Today's session of the Council of Ministers—what will it resolve? The fate of the reforms led by Chernomyrdin? But did this man not determine their fate previously, on the day of his appointment? The return to "indicative" planning (which the Economy Ministry understands as the conduct of material-technical balances)? Yet did Lobov's arrival in the government really allow one to hope for anything else?

There are many questions, but they are all rhetorical. What do we have after the money reform? A strange union of Ruslan Khasbulatov and Boris Fedorov urging cancellation of the (already completed) money reform. Viktor Gerashchenko is firmly sitting in the saddle (and he obviously not only coordinated the beginning of the withdrawal of bank notes with Chernomyrdin but also concluded a gentlemen's agreement not to backtrack either with the prime minister or with the president). The latter is collaborated by the fact that Chernomyrdin has appointed Viktor Gerashchenko as Russia's representative to the Interstate Bank. But what is new about this? Khasbulatov is in conflict with Gerashchenko. But in this case, the Central Bank is acting under cover from the prime minister and the president. Gerashchenko is sustaining the blow. But this is quite commonplace. Fedorov in his capacity as the number one banker has attacked the prime minister and the president, in union with the speaker. This is really news.

Let us go back to the rhetorical questions. What does the present Council of Ministers decide? Is it possible that there is something in store for the botched economic reform that has not been predicted by anybody earlier? Not likely. Then perhaps the Council of Minister will decide Boris Fedorov's fate? Much more likely.

Boris Fedorov serves as a signal flare from the cabinet to the West. Like Chubays, he is associated with nice-sounding words (the former—"privatization," and Fedorov—"financial stabilization"). When it is necessary to reach agreement with foreigners, Fedorov or Chubays are used. The West does not accept anybody else as interlocutor on questions of credits and payment deferrals.

Originally many of those who knew Boris Fedorov were surprised: Why was he going to adorn a team of industrialists? But we have had a chance to see: Fedorov was active and he did what he could. After Lobov's advent, however, Fedorov's presence in the government began to lose its sense: His line obviously does not tally with the position of the neo-Gosplan. He began to play a dubious role: a minister in a cabinet of conservative hard-liners, a kind of decoration and liaison stabilizing the Council of Ministers' position; but on the other hand, he is compromising the slogans of the democratic opposition by his presence in the government. He is making correct reformist speeches which allow the Council of Ministers to say: Yes, we are reformers ourselves—we have Fedorov!

If Fedorov were not in the cabinet, how strong the criticism from the democratic opposition would be! But here we approach the key issue: Fedorov cannot leave.

In fact, this is tragic. The finance minister, whom I respect for his principled position and persistence, did once effectively resign from the Russian Federation government. And even for such a short-sighted politician as ex-banker Fedorov, two resignations is too many.

The most interesting part is that Fedorov is asking for trouble. He published his scandalous memorandum to Chernomyrdin on reforming the government in IZVESTIA: There are too many deputy premiers, and it would also be desirable to merge the Economy Ministry with the Finance Ministry.

Yet Boris Fedorov cannot but realize that he is too necessary to the prime minister and the president for him to be expelled that easily. He will not be dismissed at all, but if the Council of Ministers does not throw out

Lobov's program today, Fedorov will become a mere decoration; and however hard he might be working to "raise the alarm," this is useless because no one is paying attention to him. Fedorov is beginning to be strongly reminiscent of Gaydar.

Presumably Fedorov is after all prepared to resign—not voluntarily, but under coercion, and this is why he is constantly provoking the prime minister. Boris Fedorov needs the aura of being a victim of an anti-market game.

According to information in the editors' possession as of late yesterday, Fedorov's resignation is a foregone conclusion "at the top."

### Shumeyko Meets With Regional Administration Heads

*LD0508164393 Moscow ITAR-TASS in English 1537 GMT 5 Aug 93*

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow August 5 TASS—Russian First Prime Minister Vladimir Shumeyko held a meeting with the heads of regional administrations in Moscow on Thursday [5 August].

The participants discussed the economic and political situation in Russia and preparations for a meeting of the Russian Government scheduled for Friday. The meeting, which is expected to be attended by heads of regional bodies of power, will focus on the social and economic situation in Russia and ways to stabilise it.

### Government Members' Activities Reported

*PM0508155593 Moscow ROSSIYSKIYE VESTI in Russian 5 Aug 93 p 1*

[Unattributed feature: "Executive Branch Monitoring"]

[Excerpts] **Meetings, Sessions, and Business Trips**

Head of the Russian Government Viktor Chernomyrdin was in the send-off party for Russian President Boris Yeltsin, who has left on a one-day visit to the city of Orel and Orel Oblast to participate in events to mark the 50th anniversary of the defeat of the fascist forces in the battle of Orel and Kursk. The program for Boris Yeltsin's stay includes a meeting with veterans, as well as a visit to a number of the oblast's farms to see how the harvest is going.

Then the Russian premier attended a civil funeral at the Central House of the Russian Army in connection with the tragic deaths of Viktor Polyanichko and Anatoliy Koretskiy.

Viktor Chernomyrdin devoted the greater part of the day to preparing for the enlarged session of the Russian Federation Council of Ministers-Government to be held 6 August.

First Vice Premier Vladimir Shumeyko participated in a Russian Federation Ministry of Social Protection Collegium session. During the afternoon Vladimir Shumeyko held a "roundtable" for Russian and foreign journalists.

First Vice Premier Oleg Lobov received the governor of the state of Colorado (United States), then attended the civil funeral at the Central House of the Russian Army together with Head of Government Viktor Chernomyrdin.

Preparation for the grand Council of Ministers also took up a significant part of the working day.

First Vice Premier Oleg Soskovets is leading a government delegation which is in Belgorod to take part in the celebrations of the 50th anniversary of the battle of Orel and Kursk.

Vice Premier Aleksandr Zaveryukha has been preparing for a conference with administration heads on questions of agriculture and the harvest.

Vice Premier Sergey Shakhray is on a business trip to the zone of the state of emergency in North Ossetia's and Ingushetia's territory. A joint commission session on an integrated solution to the problem of refugees and forced migrants in the territory of Ingushetia and North Ossetia is planned to take place in the city of Terek. The guarantors of the implementation of the commission's decisions will be Sergey Shakhray, and also Acting Temporary Administration Head Yuriy Shatalin and Stavropol Kray's leadership.

Vice Premier Yuriy Yarov is on a business trip to Kursk and is taking part in ceremonies to celebrate the 50th anniversary of victory in the Kursk Bulge.

Vice Premiers Anatoliy Chubays and Aleksandr Shokhin are on vacation. [passage omitted]

**Denials**

In connection with A. Zaveryukha's press conference on 2 August 1993, at which the vice premier made public accusations against the Russian Finance Ministry concerning the financing of agriculture, Finance Minister Boris Fedorov stated:

"You get the impression that A. Zaveryukha has recently been deliberately trying to make the state's financial policy collapse and has been speaking out against real reforms in agriculture. This irresponsible behavior and the systematic attempts to infringe pledges made by the president, the government, and the prime minister are playing into the opposition's hands and stimulating inflation. While the government and president are putting up with constant attacks from the Supreme Soviet over the course of the economic reforms, A. Zaveryukha is expressing his gratitude to the Supreme Soviet for its support. It is unclear in whose team A. Zaveryukha is—that of the Supreme Soviet or that of the president.

A. Zaveryukha is forever forcing through the government decisions which are economically unjustified and not backed up by financial resources. For example, the 50-percent subsidy on the production of mixed feed is not backed up by resources and there is at present no money for this. The accusations against the Finance Ministry are unsubstantiated and promote a split in the government."

**Collegiums**

At the Russian Federation Justice Ministry Collegium a draft statute was discussed on examination commissions for lawyers who have expressed a wish to take up positions as judges in the future. Doctor of Juridical Sciences Yuriy Kalmykov, acting Russian Federation justice minister, who chaired the session, expressed his approval of the draft and proposed that work on it be completed within a week.

A collegium session took place at the Russian Federation Ministry of Social Protection of the Population at which questions were submitted on measures to develop social service establishments for families and children and on the work of the Komi Republic Ministry of Social Protection of the Population to organize [as published] and serve the elderly and invalids in residential homes.

First Vice Premier Vladimir Shumeyko took part in the collegium session.

**Local Authorities**

In accordance with an accord reached by Moscow Government Head Yuriy Luzhkov and Orel Oblast Administration Head Yegor Stroyev, Orel Oblast is increasing its food deliveries to Moscow by a factor of five. The Moscow Government is in turn investing 500 million rubles in the development of Orel Oblast's processing industry.

## 'Myths' About Democratic Russia Movement Viewed

*PM0508153493 Moscow IZVESTIYA in Russian 5 Aug 93 First Edition p 4*

[Article by Lev Ponomarev, cochairman of the Council of Representatives of the "Democratic Russia" movement: "Democratic Russia: Myths and Truth"]

[Text] Democratic Russia was the first political organization to succeed in uniting democrats in Russia to become a real political force in the struggle against the CPSU's monopoly of power. The acute political and economic crises naturally affected the situation in what was initially the biggest mass political movement. There have been all kinds of "splits," declarations of secession, and so forth. All this is happening simultaneously with other, constructive unificatory processes which are less obvious, but of crucial significance for the development of the democratic process in Russia, but in public opinion a kind of "mythology" has grown up about Democratic Russia.

**First myth: The Democratic Russia movement is a radical organization which is a kind of mirror image of the communist and national-patriotic opposition.**

First, it is necessary to agree on what we mean by the term "radical." Looking at examples in Western democracy, it can be concluded that what is meant by radical political groups is those who either call for violent actions with the aim of changing the political system, or actually use such methods in practice. By way of examples one can cite the Red Brigades in Italy, left-radical and neofascist groups in the FRG, and so forth.

It may be said absolutely reliably that no Democratic Russia document has ever contained calls for violent actions either against the Communist regime or against Communists. It should be stressed that since the democrats came to power in Russia there have been no political prisoners.

Democratic Russia, while holding dozens of demonstrations with up to several hundred thousand participants, has never once countenanced violence on the streets of Moscow or other cities, unlike the NSF [National Salvation Front], the RCP [Russian Communist Party], Working Russia, or other radical communist and national-patriotic organizations which regularly provoke disturbances. Everyone remembers, in particular, the events of 1 May this year in Moscow.

If we try to define Democratic Russia's place in the political spectrum, from the various indications taken together, one can assert that it belongs to the democratic center. There are more radical, numerically small organizations in the democratic camp, such as the Democratic Union, the Russian Constituent Union (RUS), the People's Party under T. Gdlyan's leadership, and some other organizations.

Why is the myth of Democratic Russia's radicalism so persistent?

Apparently the reason lies in the fact that Democratic Russia has still not abandoned rallies as a form of political struggle. But it retains them in its arsenal not because it considers them fundamental (the movement would gladly abandon them), and not because it has nothing else in its arsenal, but because the activeness of the extremist opposition on both right and left is increasing in the streets of Moscow, St. Petersburg, and other cities. We realize that destabilization and coups do not start at scientific debates, and therefore we should do everything to avoid handing over the streets of Moscow and other cities to the extremists.

**Second myth: Democratic Russia seeks the breakup of Russia and does not care about its interests abroad. Consequently Democratic Russia is an unpatriotic organization.**

Well, let me try to formulate Democratic Russia's attitude to the problem of the national-state structure of Russia, and more broadly that of national-state restructuring both in Russia and in the CIS countries.

In making its decisions on these issues Democratic Russia has had and still has one top priority—preventing bloodshed and strong-arm methods of resolving conflicts. For this reason:

—Democratic Russia came out firmly against the actions of the USSR leadership at the time of the Vilnius events and condemned the entire policy of M. Gorbachev, who was gradually moving toward a position of preserving the Union by force. Let me stress, this was our stance not because we were in favor of the breakup of the Union, but because we were sure that the attempt to preserve the Union by force would lead to bloodshed, and only bloodshed;

—the movement was the first to come out against sending troops into Chechnya, condemning B. Yeltsin for this decision, despite its customary loyalty to him;

—at the time when the conflict was developing in the Dniester region, Democratic Russia did not follow the path of one-sided support for the Dniester authorities, but emphasized the political rather than ethnic nature of the confrontation in this region. Meanwhile all kinds of "patriots" and "pro-Russianists" were insisting exclusively on a strong-arm and far from bloodless solution to the conflict.

It is clear from the examples enumerated that of the two key principles of national-state structure—the inviolability of borders and the right of nations to self-determination—we give priority to the former. In a period of transition from one system to another, accompanied by economic and political upheavals, only observance of the principle of inviolability of borders can minimize the bloodshed and save Russia and the CIS from bloody internecine wars, save it from the Yugoslav scenario.

In affirming this principle we are aware that perhaps the majority of interstate borders within the CIS, borders laid down in Soviet times, are unjust, and in particular we recognize the injustice and unlawfulness of the transfer of the Crimea to Ukraine in N. Khrushchev's day. But we also regard as criminal the actions of certain "patriotically" minded Russian Federation people's deputies who go to the Crimea and campaign for its secession from Ukraine, provoking armed conflict there.

**Third myth: Democratic Russia is a "pro-Yeltsin" organization which always automatically supports the Russian president.**

True, Democratic Russia supported B. Yeltsin in his election as chairman of the RSFSR Supreme Soviet and in the presidential elections. But it is not hard to recall instances of difficulties in the development of our relations.

First, the movement did not trust that part of the president's entourage that was recruited mainly from among people who had worked with B. Yeltsin before, in the party structures. Democratic Russia insisted on amendments to cadre policy—both with regard to people in the president's immediate entourage (Yu. Petrov, Yu. Skokov) and with regard to many appointments of heads of administrations. Second, Democratic Russia protested firmly against the president's concessions to the Supreme Soviet and has repeatedly declared that its support for his policy is conditional. Particularly after the Sixth Congress of People's Deputies, when the government was "reinforced" with representatives of the body of directors, and again after the Seventh Congress, when the president refused to appoint Ye. Gaydar to the post of premier.

The nature of our complex relationship with B. Yeltsin can be expressed in this formula: The president did not deem it possible to be a "party" president nominated by Democratic Russia, and it, for its part, does not deem itself bound to support steps by the president which are contrary to its strategic and tactical objectives.

**Fourth myth: Democratic Russia monopolizes the right to speak in the name of Russia's democratic public and squeezes out smaller democratic parties and organizations. Structurally the movement is ossified, and does not allow new political structures to develop.**

In fact, on encountering conflicts within the movement between the "radicals" and the "constructivists," we realized some time ago that when new tasks arise the way work is organized also has to change. Thus, following B. Yeltsin's proclamation, at the Fifth Congress of People's Deputies, of the transition to radical economic reforms, the Democratic Russia Coordinating Council adopted a message to regional organizations that very day, proposing the creation of Public Committees for Russian Reforms (OKRR), enlisting professional economists and legal experts. The committees are now in action in the majority of regions of Russia; they hold consultations on privatization and have the support of the private farmers. By obtaining information from the OKRR's it is possible to trace the progress of economic and political reforms in the localities.

Or take Democratic Russia's quite recent actions to widen its base. It was on the initiative of Democratic Russia that a statement on the creation of the election bloc of reformist forces, "Russia's Choice" ["Vybor Rossii"], was signed, both by representatives of many social organizations and by state and political leaders—from former Premier Ye. Gaydar and current First Vice Premier V. Shumeyko to former Politburo member A. Yakovlev and "radical" democrat M. Poltoranin. This was a substantial step toward the unification of all reformist forces on the eve of early parliamentary elections.

Of course, Democratic Russia, like the entire democratic process in Russia, is developing unevenly, experiencing

internal conflicts and crises. Of course, even within our movement we are constantly coming up against echoes of our totalitarian past—both in the minds of Democratic Russia members and in their practical actions.

However, the last two mass campaigns by democratic forces—the collection of signatures in favor of a referendum on private ownership of a land and a referendum of confidence in the president—showed, I believe, quite clearly that Democratic Russia remains a major democratic organization, retaining its influence on the voters.

### Parliament Accused of Trying To Suspend Yeltsin Decree

*LD0508175893 Moscow Radio Moscow World Service in English 1500 GMT 5 Aug 93*

[Text] The committee for the management of Russia's state property has issued a statement saying that parliament has been trying to suspend President Yeltsin's decree on measures to protect the rights of the citizens to participate in privatization. The committee says that it has analyzed parliamentary resolutions concerning privatization to arrive at the conclusion that [words indistinct] interested in pushing down the exchange rate of privatization vouchers distributed among all of Russia's citizens. In the first place (?groups) will play into the hands of drug traffickers, transnational financial groups, and structures having access to communist party money hidden abroad.

### Democratic Organizations Call For Constitutional Conference

*LD0508170393 Moscow Ostankino Television First Channel Network in Russian 1400 GMT 5 Aug 93*

[By correspondent Dmitriy Matyukhin]

[Text] [Announcer Mikhail Osokin] A session of the government, and a joint session of the chambers of parliament will take place in Moscow tomorrow, and it looks as if various political movements are getting ready for a new trial of strength.

[Matyukhin] [Words indistinct] intend to address their proposals to Russia's president. At today's session of the Committee of Democratic Organizations, the speakers insisted that the Constitutional Conference must be convened immediately and a new parliament elected in October. As the spokesman of the democratic organizations stated: By conducting a campaign of delaying the examination by Federation members of the draft constitution, the Supreme Soviet Presidium is disregarding not only the will of the president, but also of all Russia's citizens.

### CP Discusses Ties With Parties, Russians Abroad

*PM0608082393 Moscow SOVETSKAYA ROSSIYA in Russian 5 Aug 93 p 3*

[Unattributed report under the general headline "In Party Committees and Organizations"]

[Text] The latest session of the Russian Federation Communist Party Central Executive Committee Presidium considered questions of developing ties with foreign parties among other matters. It was noted that, following the resumption of the Russian Federation Communist Party's activity and its official registration, contacts with fraternal communist, workers, and democratic parties and movements abroad have been stepped up considerably.

Information on the results of the Second Extraordinary Russian Federation Communist Party Congress was sent to parties and movements, an exchange of information is being organized, and numerous meetings and conversations with representatives of fraternal parties and their delegations which visited Moscow took place. Members of the Russian Federation Communist Party leadership have contributed a vast amount of materials to a number of parties' press organs. An in-depth exchange of opinions with representatives of the communist parties of France, Portugal, Austria, Germany, the Czech lands, Slovakia, Greece, Finland, and other countries has taken place.

The meetings that took place demonstrated foreign comrades' interest in cooperating with the Russian Federation Communist Party, and the need for reciprocal information, a joint analysis of the lessons of the past, and the elaboration of new forms of joint actions was stressed.

In an adopted resolution [postanovleniye] the Russian Federation Communist Party Central Executive Committee Presidium approved a number of specific measures concerning the further development of ties with foreign fraternal parties. It was also noted that there is a need to establish and develop a link with parties of a socialist orientation and their regional and international associations.

The Russian Federation Communist Party Central Executive Committee Presidium also considered measures in connection with the situation of the Russian-speaking population outside Russia. During the debate it was noted, in particular, that the lack of a mechanism to protect the rights of Russians in CIS countries and the Baltic region is leading to a further deterioration of their situation, while armed conflicts in a number of regions are depriving people of a basic human right—the right to live.

Numerous reports from nearby foreign countries provide evidence that there are insuperable difficulties in providing pupils at Russian schools with textbooks. The future of Russian theaters and museums and the teaching of Russian are causing concern.

The Russian Federation Communist Party Central Executive Committee Presidium recommended that communist deputies step up their activity in the Supreme Soviet concerning the elaboration of legislative acts to protect the rights of Russians abroad and the adoption of the appropriate laws.

### Poll: Yeltsin Most Popular Politician in Russia

*LD0508171393 Moscow ITAR-TASS in English 1551 GMT 5 Aug 93*

[By ITAR-TASS correspondent Andrey Suldin]

[Text] Moscow August 5 TASS—Russian President Boris Yeltsin remains the most popular politician in Russia, according to a poll taken by the Public Opinion Foundation on July 31.

One in five said they would vote for Yeltsin if presidential elections were held now.

Vice-President Aleksandr Rutskoy was supported by 11 per cent of respondents, economist Grigoriy Yavlinskiy by eight per cent. Parliament speaker Ruslan Khasbulatov and Nikolay Travkin, president of the Foundation Supporting the Development of Farm Agriculture in Russia, received three per cent each. Vice-Prime Minister Sergey Shakhray and former acting prime minister Yegor Gaydar two per cent each. One in 100 supported Constitutional Court Chairman Valeriy Zorkin.

## Economic Issues

### Council of Ministers on Social, Economic Situation

*LD0608084293 Moscow ITAR-TASS in English 0726 GMT 6 Aug 93*

[By ITAR-TASS correspondents ivan ivanov, Sergey Podyapolskiy and Gennadiy Talalayev]

[Text] Moscow August 6 TASS—President Yeltsin on Friday [6 August] morning is presiding over a meeting of the Council of Ministers of the Russian Federation which has met to examine Russia's social and economic situation and measures to stabilise it. Prime Minister Viktor Chernomyrdin is reporting to the meeting.

The government will also discuss a draft working programme of the Council of Ministers of the Russian Federation concerning the development of reforms and stabilization of the Russian economy from 1993-1995.

Presidents and chairmen of the parliaments of the republics within the Russian Federation, leaders of the federal executive, the heads of administration of territories, regions and autonomies of the Russian Federation, the governments of Moscow and St. Petersburg, chairmen of territorial, regional and area Councils of People's Deputies and of the Moscow and St. Petersburg Councils of People's Deputies are taking part in the meeting.

The grave situation in Russia by no means indicates a collapse of reforms but only the complexity and contradictoriness of the transitional period, according to a programme drawn up by the government to bolster transformations and stabilize the Russian national economy in 1993-1995. This draft is to be discussed by an extended meeting of the Russian Government in the Kremlin today.

The programme sets out to pull the country out of the grave crisis and create preconditions for the revival of Russia and raising living standards in the country, without infringing in the least the rights and freedoms of its citizens. Russian science and culture will flourish, the natural environment will improve and Russia's economic and political positions on the international area will consolidate, the programme promises.

Russia can be great only if it reforms itself and becomes rich and democratic, with a socially-oriented market economy providing a material basis for achieving these objectives, the program says.

In the next decade the government is planning to considerably cut the state-owned sector of the national economy and consequently state intervention in the national economy as a whole. Taxes and state spending will be reduced, free enterprise and competition will be encouraged, the share of accumulation and effectiveness of investments will increase, the programme states.

The Russian economy will become open, and the country's export potential will increase, including through exports of products with high added value. The protracted crisis in agriculture will be overcome and demand for food will be mainly met by domestic producers.

The new programme will be implemented in three stages, with 1993 marking the beginning of stage one which will end in 1994. This is to be a crucial period during which the government will prioritize measures to control inflation, achieve financial stabilization and create conditions to encourage investments.

As the first steps in this phase the government is introducing correctives to reforms which began in January 1992. The social orientation of the government's economic policy will be emphasized and steps will be taken to combat inflation without vestiges of a shock therapy. Privatisation will continue, while the state-run sector of the national economy will be managed more rigidly. A selective approach will be preferred in the structural policy, and the role of the regions in securing reforms will enhance.

All this will lead to the normalisation of production and greater business activity. Headway will be made in forming the infrastructure of the commodity and financial markets.

The social policy will be targeted primarily at the most vulnerable groups of population.

At the end of this first stage, the production slump is expected to end and the overall standards of living to stabilize. The budget deficit will not exceed eight-to-ten percent of the gross domestic product, and will be repaid from "economically justified sources".

The inflation rate is envisioned at no more than an average 5-7 percent a month, and the rouble exchange rate will be maintained at a steady level. The share of state procurement will drop to 20 per cent of the gross domestic product, and the share of regulated prices to 3-5 per cent of the same.

The second stage, which will extend from the second half of 1994 to the end of 1995, will prioritize institutional transformations and higher investment activity. Mass-scale privatization is expected to be completed and state-owned enterprises to be converted during this stage, which is due to strengthen financial and contract discipline. The shrinking budget deficit and lower inflations rate will make it possible to diminish the tax burden and bank interest rates, which will in turn encourage enterprises and investments.

The structural policy will target encouragement of promising enterprises and reorganization or liquidation of loss-making ones. In supporting positive structural shifts the government will seek to ensure employment and provide temporary unemployment benefits. Large-scale reform of the social sphere will gain momentum.

Production will stabilize by the end of this stage in 1995 while structural shifts will increase, with the slump in some sectors offset by a rise in others.

The state's share of the gross domestic product will amount to no more than 30-35 per cent, and the share of private investments to the accumulation fund will reach 60 per cent. The standards of living will continue to grow.

The third stage—an economic rise—will begin in 1996, with priorities set for technical reconstruction of the national economy and the creation of conditions for a radical improvement in the wellbeing of the bulk of the population, according to the draft programme.

The programme also says that "by the end of the nineties, the economic growth rate will reach 4-5 per cent per annum, and the share of accumulation 20-25 per cent of the gross domestic product. The country's trade balance will be positive, with exports led by products with high added value.

The programme stresses the need for political stability as a condition for the success of reform and overcoming the crisis.

## Chernomyrdin Outlines Key Points

*LD0608101993 Moscow Ostankino Television First Channel Network in Russian 0800 GMT 6 Aug 93*

[Report by Vladimir Kuskanov; from the "Novosti" newscast]

[Text] Boris Yeltsin is today chairing an expanded sitting of the Cabinet of Ministers in the Kremlin; it is devoted to Russia's social and economic situation.

[Luskanov] An expanded session of the Russian government opened in Moscow today. Its main subject is the government's new program for developing reforms and stabilizing the country's economy. President Boris Yeltsin opened the session. Prime Minister Viktor Chernomyrdin made a report. In the government's view, the current processes in Russia show not a failure of reforms but only the difficult nature of the transitional period. The working program is aimed at solving the economic crisis and creating, in the near future, real pre-conditions for Russia's revival.

[Begin Chernomyrdin recording] We are suffering from disunity and disagreement between the links of our single state mechanism. That is why it is absolutely necessary to create an effective mechanism for implementing the Russian government's single socio-economic policy; it must be created with direct participation of all federal bodies of executive power and regions in the very near future. This work could be based on the government's report on the state of the Russian economy and its prospects. [end recording]

[Luskanov] According to the program, the government's socio-economic policy sets such goals as improving the people's well-being, ensuring citizens' rights and freedoms, cultivating our science and culture, protecting the environment, and consolidating Russia's economic and political positions in the world community. In order to achieve these goals, there are plans without the next decade to considerably limit state intervention in the economy, reduce the share of the state sector, bring down taxes and state expenditure, and promote enterprise and competition. The government intends to ensure an open economy and a strong export potential, to overcome the crisis in the agrarian sector and to satisfy demand for food mainly through domestic production. Taking into account the earlier lessons of development, the government introduced some amendments to the process of implementing the reforms which started in January 1992. These amendments include strengthening the social aspect of economic policy, new anti-inflation measures without shock therapy, and continuing privatization while simultaneously enhancing the manageability of the state sector of the economy. In reality, these amendment mean that the government is prepared for compromises with legislative authority for the sake of political stability and progress of reforms. The program says that by the end of this decade, the pace of economic growth will attain four to five percent a year, a surplus balance of payments will be achieved, and export of production with high share of Value Added Tax will have priority growth. The third stage—an economic recovery—will start in 1996. The main priority of this stage will be the technical reconstruction of the national economy and conditions for a qualitative improvement of the well-being of the main bulk of the population.

### Suggest Fedorov 'Seek Another Job'

*LD0608123393 Moscow ITAR-TASS World Service in Russian 1200 GMT 6 Aug 93*

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow, 6 Aug—Summing up the results of today's session of the Russian Federation Council of Ministers, Viktor Chernomyrdin said it was essential to overcome the current crisis in relations between various branches of power, having stressed that "things cannot continue like that anymore". He recalled that Russia's current government "has never assumed anybody else's functions" and "did not root about in this muck." The prime minister said: "This is not the case; nor will it be the case."

Speaking of the recent disagreements within the government itself, Chernomyrdin stressed: "If anyone else speaks on the government's behalf and it runs counter to the government's line, let him seek another job for himself." The prime minister let it be understood that, in this particular case, he had Russian Federation Finance Minister Boris Fedorov in mind.

### Finance Ministry Confirms 'Denial' of Bank's Actions

*LD0508215993 Moscow Mayak Radio Network in Russian 1300 GMT 5 Aug 93*

[Text] The Russian Ministry of Finance has officially confirmed its unconditional denial of the Central Bank's money exchange action. A report by the Ministry of Finance' Collegium, received by ITAR-TASS today, notes that—I am quoting— the ministry has no official documents proving that this action was approved by the government or even discussed by it—end quote. All government decisions on monetary issues, the Collegium of the Ministry of Finance notes, should be taken with the participation of the Ministry of Finance. Therefore, the document stresses, the Ministry of Finance continues to insist that to restore people's trust, all restrictions on the money exchange should be lifted since they are illegal.

### Agricultural Leaders Meet To Define Main Issues

*LD0508175593 Moscow Russian Television Network in Russian 1600 GMT 5 Aug 93*

[By correspondent M. Tumanov; from the "Vesti" newscast]

[Text] Today in Moscow's Staraya Ploshchad, a conference of agricultural leaders of Russia's oblasts, krays, and republics was held. On the eve of tomorrow's government session on the results of the first half of the year, the main issues of the agricultural industrial complex had to be defined. Deputy Prime Minister Aleksandr Zaveryukha noted that the fall in agricultural production had markedly slowed down mainly as a result of powerful help from the government—it was exactly twice as generous as the norms set down in the plans—and announced further, that the main indicator of prosperity, the consumption of products per head of the population, was, as before, lower than last year's figure. There is another misfortune for Russia: A good harvest is expected. This has to be gathered in. Thus, the deputy prime minister noted, we will have to get 500 billion rubles in credits.

The leaders present at the conference also talked in the main about financial problems. However, agricultural workers have come round following the shock reforms. Conditions for future, normal price formation are appearing, as well as for a normal fiscal policy. Another thing: This year a risk was taken and imports of meat, milk, and vegetable oil worth a total of 2 million U.S. dollars were cut. In 1994, it is proposed to buy solely fodder grain abroad.

### Discord in Moscow May Thwart Privatization Plans

*MK0508130093 Moscow KOMMERSANT-DAILY in Russian 5 Aug 93 p 3*

[Yelena Kotelnikova report: "Industrial Management. State Property Committee Accuses Parliament of Helping Shadow Dealers"]

[Text] Yet another heightening of the struggle between the president and the parliament for control over privatization is attributable first of all to disagreements on the subject inside the government itself. This was confirmed by a statement distributed yesterday by the State Property Committee, accusing lobbyist structures linked with the parliament of desiring "to maintain bureaucratic control over the economy." This time it was not only parliament that was the target of the State Property Committee's criticism, but also those government agencies that could affect the current denationalization concept.

According to Petr Mostovoy, deputy chairman of the State Property Committee, in the near future the parliament plans to take steps to counter the July presidential edict "On Additional Measures To Protect the Right of Citizens To Participate in Privatization," which gave a boost to voucher-based privatization. Mostovoy thinks that even a temporary suspension of this document may bring down the exchange rate of the privatization check and will enable "shadow transnational financial groups, which have hoarded huge amounts of capital, and also structures that bear a relation to the CPSU money hidden abroad" to buy up vouchers "for a song." Furthermore, when the position of the voucher privatization is fully restored, the shadow dealers will stand to gain most from "the people's privatization." According to the State Property Committee chiefs, these considerations prove that the parliament is becoming a tool in the hands of shadow dealers.

The State Property Committee also sees another factor affecting the likelihood of steps aimed at blocking the

voucher privatization: namely, parliamentary lobbies trying to retain "bureaucratic control" over the economy and to make privatization a nomenklatura project. According to observers, it was not so much the deputies that were criticized at a press conference in the State Property Committee, but rather sectoral managers and lobbyists for financial- industrial groups within the government—the more so because the shadow operators' hand was strengthened by the parliamentary decision in July to strip the State Property Committee of its exclusive rights to dispose of federal property.

Currently, the government is drawing up a number of industrial management concepts, the implementation of which would require that the pace of privatization be slowed down, albeit to various extents. First, the government has approved a concept calling for financial-industrial groups to be set up comprising enterprises of various areas of expertise, management of which will be regulated by the government. Second, sectoral ministries lay claims on the role of holding company managers. In particular, the machine-building committee is drawing up a management scheme calling for the Federal Property Fund to be removed from the management of a 20 percent block of shares in federal enterprises being privatized and for the stock to be transferred to the respective sectors for setting up financial-industrial holding companies. In addition, chiefs of the Federal Property Fund have put forward their own concept for setting up holding companies: 30 percent of the stock will be kept by the state and 27 percent will be accumulated exclusively at investment funds. Evidently, a lack of unity in the top echelons of power regarding privatization makes the regions adopt a wait-and-see approach and suspend privatization under various pretexts. In particular, this course was taken by the authorities of Primorskiy Kray, who held up check auctions yesterday citing the slump in production at privatized enterprises.

Evidently, the only effective step to rescue the voucher-based privatization from being put on hold in the regions could be a compromise between the branches of power at the center.

## Mistakes by 'Gaydar Reformers' Detailed

*PM0508123593 Moscow ROSSIYSKAYA GAZETA in Russian 5 Aug 93 First Edition p 3*

[Anatoliy Butenko article: "Way Out of Dead End Still Possible"]

[Text] I think that it is not insignificant that our Russian difficulties in implementing urgent tasks are linked to an attempt to conduct economic and political transformations simultaneously. There is no disputing the fact that, without certain ideological and political prerequisites, economic reform would not be feasible. It is also indisputable that, unless an economic base is laid for the country's independent development and "survival" during the transformations, it will be hard to count on any success in political reform. But it is not sensible to attempt to fundamentally redesign economic and political structures at the same time—there will definitely not be enough resources to do so and there will be a continual threat of an overall collapse.

Second, this shortcoming engenders another. Namely, that neither the previous reformers headed by M. Gorbachev nor the current reformers led by B. Yeltsin had or have a clear-cut, precise, phased, or in any sense integrated concept for Russia's transition from a totalitarian setup to the market and democracy in politics. At any rate, we are not being offered any well-grounded program for emerging from the socioeconomic dead end into which we have gone even further down.

### What Caused the Collapse of the Yeltsin-Gaydar Reform?

I see three main causes. The first is the lack of correspondence between the measures being implemented and existing structures. This is the result of professional bankruptcy brought about by the fact that Ye. Gaydar is a very capable and skilled copier of foreign prescriptions. He either did not understand or ignored the fact that the recommendations he was borrowing were developed for backward countries and were aimed at ensuring the repayment of IMF loans through the export of raw materials. Naturally, the application of these methods under our circumstances has merely made the country beholden to creditors (maybe that was the idea?). It has by no means solved our own problems, merely compounded them.

The second cause was the reluctance to take account of the features of our situation—that is, the fact that we have a unique totalitarian-society mobilization economy that has gone down a socioeconomic dead end.

The third cause was virtually the most important—caught up by their ideological zeal in a desire to "get rid of the socialist utopia" at all costs, the democratic reformers have been thinking not so much of creating a progressive economy as of destroying the "foundations of the socialist economy" which until recently they had been creating themselves, without realizing that in actual fact what they have been destroying had maintained society's life—however poorly.

### Whose Prisoner Is Chernomyrdin?

In short, the reformers have failed to realize that our problems are rooted in the antihumanism of the mobilization economy and its disregard of people's interests and their vital needs.

Summing up what has been said, I affirm that the sources of the failure—or, more simply, the collapse—of the Yeltsin-Gaydar government's reforms lie in the fact that, in carrying out very radical measures in 1992, the authorities not only failed to abandon the mistaken formula of "the end justifies the means" but started implementing it with even great persistence than the

Stalinists, hoping, at the cost of the still greater impoverishment of the people, to fill the store shelves with expensive goods, restore some of the money's value, and thereby "revive" the economy.

But, in adopting this version of development, the government greatly exacerbated the main vices of the mobilization economy instead of eradicating them. Admittedly, there was also a very important new point: The material assets thereby removed from the people now flow not into state coffers, which were previously at the disposal of the party-state nomenklatura, but into the private pockets of life's new bosses—representatives of the emerging speculative capital, mafia-bureaucratic structures, and the new elite that has emerged from among the "foremen of perestroyka" in the shape of corrupt strata of "democratic" civil servants and entrepreneurs who have done well out of "piratization."

The existing economic order-cum-disorder is the real material embodiment of the social ideal espoused by speculative capital, mafia-bureaucratic structures, and the new elite. Chernomyrdin merely had to mention combating stall-holder speculators to come in for a storm of threats which, it seems, have buttoned the new premier's lip, turning him into a live hostage of both the ruling forces and the mafia-bureaucratic sociopolitical forces that are still striving for power.

**Does Russia Have An Economic Way Out?**

There is no such thing as a hopeless position, but the powers that be have squandered the possibility of a less painful solution for our citizens. Such possibilities have become fewer and continue to diminish.

First and foremost, the authorities still fail to grasp the fact that our main problem is the historically weak development of individual consumption (this indicator barely reaches 55 percent in our country—which is an order of magnitude lower than in normally developed countries, where it is 60-65 percent, and in the United States even 67 percent of GDP). This means that a further reduction in individual demand could push the process to a point where it becomes destructive for all of production—work incentives would be finally undermined, since the entire structure of production would be altered, its natural proportions and links would be destroyed, and the entire system of equivalent relationships between intrastate payments and transactions would be undermined. After all, through their monetarist policy of liberalizing prices and allowing them to rise rapidly, the Gaydar reformers have not only failed to remedy the situation but have in the space of two years dealt a blow to the individual consumption of millions of people that is comparable to a decade of Stalinism. Yet everything should have been the other way round. This was the area where it was necessary to seek out measures to produce the exact opposite result—to restructure the economy so as to boost rather than reduce the individual consumption of millions of people while improving their work incentives. This would have marked a turn away from the mobilization economy to a normal national economy.

As if this crushing blow inflicted by the democratic reformers was not enough, it was followed by another equally severe blow—the Belovezheskaya Forest "putschists," having abolished the USSR in December 1991, gave a boost to the constantly accelerating collapse of the established, traditional economic ties between the republics which had become separate states. The economy was left to its own devices everywhere!

Now, judging by events in Ukraine—and not only there—there is a growing recognition of the fact that we need to move toward a policy that takes account of our specific conditions and potential. This means addressing the needs of the entire population, looking at citizens' individual consumption, and searching for ways to expand it.

## Court Must Rule on Privatization War of Laws

*PM0508134593 Moscow IZVESTIYA in Russian 5 Aug 93 First Edition p 2*

[Igor Karpenko article: "In the Constitutional Court: Russia's Right to Privatization"]

[Text] Passions over the exchange of money and the wave of social protest at the Central Bank's unexpected action for a while overshadowed, as it were, another attack on Russians' property launched 21 July at the end of the sixth session of parliament—the deputies' decision to refer to the Constitutional Court the president's edict "On State Guarantees of the Right of Russia's Citizens To Participate in Privatization," which automatically suspends operation of the edict. As is well known, citizens' guarantees were restored 26 July by a new edict "On Additional Measures To Protect the Right of Russia's Citizens To Participate in Privatization."

B. Yeltsin's swift reaction to the opposition's latest attack on the development of the economic reforms made it possible in general to save the privatization process from possible serious losses. According to information from the State Committee for the Management of State Property, over the last two weeks not a single check auction has been wrecked or suspended in any region of the country, which certainly confirms yet again that the majority of the population and organs of power at local level support check privatization and are interested in its success. Of course, voucher owners have nevertheless suffered appreciable losses: The market value of the check, which before 20 July was holding steady at its face value, fell more than 1,000 rubles [R] after parliament's decision and has not fully recovered even now. On the exchanges on Monday and Tuesday the price of the voucher was wavering between R9500 and R9700 (the weighted average market value was R9,604).

Probably only in Moscow was an attempt made to stop privatization, and even that was by means of a crude forgery. I will remind you: An order on halting check auctions in the capital was superimposed on a document with totally different contents which bore the signature of the chairman of the Moscow Property Fund, and the "document" fabricated in this way was faxed to the mass media. The inevitable panic in privatization centers and funds was nipped in the bud by the instant repudiation of the forgery. But someone badly wanted to stop the auctions: At precisely this time probably the most prestigious property in the entire period of privatization was on offer at check auctions in the capital—according to preliminary figures, shares in the Hotel "Kosmos" and the Central Department Store attracted around 2 million vouchers.

Incidentally, the extremely mysterious story of this forgery lends some weight to the well known rumors that the leak about another two "working drafts" of documents in parliament—a switch from checks to privatization accounts and the suspension of the operation of the State Privatization Program for 1992—is in fact a well calculated and planned operation by financial circles gambling on a fall in the market value of the checks. Clearly they were least of all concerned with the social and political consequences of events—the important thing was to create favorable conditions for again extracting a further bunch of vouchers from the population for next to nothing ahead of prestigious auctions.

Unfortunately the actual story of parliament's blocking of the president's edict is still by no means over. Many analysts predicted that the question of the new edict, among other problems, would arise at the extraordinary Saturday session convened over the deterioration in the Ossetian-Ingush situation. However, despite expectations, privatization, the exchange of money, and Barannikov's dismissal were not placed on the agenda. Nevertheless, there is every reason to believe that the question is bound to surface at the next sitting, scheduled for 6 August. According to the claim of certain parliamentary sources of information, a proposal to refer the president's new edict too for verification of its constitutionality has already been prepared. Admittedly, it is now no longer the commission on economic reform that has been instructed to submit it for consideration (that would be simply laughable), but one of the parliamentary factions.

Clearly now only the Constitutional Court will be able to stop this unfolding war of laws, especially as it has the chance to do this immediately: On 3 August, after precisely two weeks, the session's decision on verifying the constitutionality of the president's edict at last arrived at the court. Time will tell which turns out to carry more weight with the justices—the legal hitches invented by the diehard opposition, or state guarantees of the right of Russia's citizens to privatization. But probably the Constitutional Court will also have to consider a whole series of knotty legal problems. For instance, how many days, weeks, or months can parliament keep the decision blocking the president's edict—a decision which, as is well known, enters into force from the moment of its adoption—in its own office. After all, in the present political situation privatization may well be not just suspended but totally wrecked in six-eight weeks. How many times can parliament suspend different versions of essentially the same edict on new pretexts or altogether without pretexts? Or how many of these versions will the president and his team be allowed to submit—after all, the powerful and free Russian language makes it possible to create a virtually infinite multitude.

However, it would probably be more sensible to verify the constitutionality of the amendment to the fundamental law whereby the opposition has created for itself the opportunity essentially to deprive the president and the government of the right to the presumption of innocence. After all, by that same amendment parliament is ultimately clearly intruding also into the prerogatives of the Constitutional Court itself by arrogating, albeit for a while, the court's exclusive power to decide who is right. Finally, probably the main problem must also be resolved: In how many months, weeks, or days after the referendum do the pretensions and political ambitions of the opposition, which is clearly at odds with the expression of the people's will, acquire legitimacy? After all, it was literally three days after the publication of the results of the referendum supporting the economic policy of the president and the government that parliament passed its decision on the unsatisfactory course of privatization and demanded that the question of the fitness for office of the leaders of the State Committee for the Management of State Property be examined. And now, three months later, it looks as though the opposition is switching from total criticism to total destruction.

## Military & Space Issues

### Official Inaction on Rebel Servicemen Deplored

*PM0508151193 Moscow IZVESTIYA in Russian 5 Aug 93 First Edition p 4*

[Article by Captain First Rank (Reserve) Albert Khraptovich, former commander of a nuclear submarine: "Officer Has No Business at a Rally"]

[Text] The press recently reported that another "All-Army Officers Assembly" had been held in St. Petersburg. Admittedly, for some reason the report at it was delivered not by the defense minister or, say, by the chief of the General Staff but by one Lieutenant Colonel Terekhov. The mass media, I noticed, clearly did not pay much attention to it, and the official military authorities ignored it altogether.

Some people may think that there is indeed no point in dwelling particularly on this "assembly," on the "report," and on the unthinkable statements displaying harsh aggression toward the legitimate government and

the president which were made by the representatives of the "officer corps," including the former political officer. But this whole thing astonishes me as a reserve officer: unauthorized assemblies of officers, "unions" of uncertain membership holding rallies on Moscow squares, attempts to command fleets and even to interfere crudely in the affairs of sovereign states. And alongside all this there is total indifference on the part of the authorities...

What is going on? After all, there are clear signs of disobedience to the legitimate authorities on the part of some of the military. In any civilized country servicemen have no right to publicly oppose the decisions of the government and the president. Not only because this is prohibited by law. This has been the nature of military service from time immemorial.

Servicemen certainly can express their opinions and proposals on any question, but, unlike other citizens, they do so within the procedure laid down by regulations.

I think there is no need to explain why this is so and not otherwise and that this is not an infringement of anybody's rights. You only have to try to imagine an army in which the officers hold rallies instead of engaging in combat work, some obey the president, others obey the Supreme Soviet, and yet others obey some kind of "Officers Union" or Terekhov... and you will see that nobody wants that kind of army.

Something similar happens only during revolutions or military coups. But neither is apparently taking place in our country at the moment, thank God. We have a legitimate government, a president and supreme commander in chief of the Russian Federation Armed Forces, and a defense minister ratified by the Supreme Soviet.

All these people are in state service and, whether they want to or not, must strictly watch over legality and order, immediately take the necessary measures if they are violated, and identify and take proceedings against the guilty parties. All this is nothing other than concern for the well-being of the state and the security of its citizens.

How are we to explain the virtually total inaction of the authorities when some officers openly oppose the legitimate government and president and, moreover, call on all officers to follow suit? After all, it is utterly clear to anybody, not even necessarily a military man, what dangers this poses.

And how are we to understand the total indifference of the Supreme Soviet, its Presidium, the people's deputies, committees, and the speaker personally toward the total flouting of the laws on defense and on military service which they themselves adopted? Moreover, you get the feeling that such actions are tacitly encouraged (otherwise Terekhov would not be calling on officers to act together with the Supreme Soviet).

Without waiting for a social explosion in the Army or questions from deputies, the Constitutional Court could also speak out in this situation about the attempts by certain servicemen and their illegal "unions" to interfere in the state's policy. However, it too remains silent.

Maybe this disorder is to somebody's advantage?

### Defense Sector Threatened by Strike From 6 Aug

*LD0508220093 Moscow Mayak Radio Network in Russian 1000 GMT 5 Aug 93*

[Text] (Sergey Shukhlin), cochairman of the coordinating council of the international trade union of CIS defense sector employees, has told an ITAR-TASS correspondent that, from tomorrow, deliveries of spare parts and sets of spare parts for military equipment, the servicing of Army installations, and the salvaging of armaments within the framework of international treaties may be halted in Russia.

The action planned by the Russians is a response to the authorities' reluctance to tackle our problems in earnest, he declared. We are tired of believing promises and of waiting unsuccessfully for concrete moves to improve the social and economic situation of the military-industrial complex.

### Radio Reports Space Industry's Problems, Prospects

*LD0508173193*

[Editorial Report] Moscow Mayak Radio Network in Russian at 1249 GMT on 5 August broadcasts a 6-minute report by correspondent Vladimir Bezyayev on today's news conference at the Russian Space Agency about the prospects for space research and some aspects of international cooperation in this sphere.

Bezyayev quotes Yuriy Nikolayevich Koptev, director general of the Russian Space Agency, as saying that Russian space research is on the verge of collapse because of shortage of funds. Bezyayev says: "Even the budget that has been approved became operational only from May. Money has been coming in since May. However, calculations were made on the basis of one set of costs and the costs have now completely changed. The Supreme Soviet has adopted a new budget, which seems to suit our space science. It even contains an entry on financing the Baykonur space facility but this topic is likely to be discussed by President Boris Nikolayevich Yeltsin and [Kazakh President] Nursultan Nazarbayev at talks on Saturday."

Bezyayev says Russia's role in the international market was also touched upon. He says: "This market is full. The Chinese and everybody else have got there ahead of us, and our only advantage is to provide launching facilities. Then, if we are going to break into the market, this is scheduled only for 1997-99. There are reasons for that. We do not manufacture good communications satellites, but we do have good launching vehicles. On the other

hand, any economic agreement of this kind should be supported by a political decision since there are organizations like the Coordinating Committee for Multilateral Export Controls [Cocom] which, on the whole, are not keen on having us in the international space market."

About the cryogenic engines deal with India, Bezyayev says: "A curious thing transpired. There are 23 countries which have signed this agreement on the nonproliferation of space technologies. At the time, Mikhail Sergeyevich Gorbachev and the U.S. president signed a relevant document. On the whole, I cannot say that we are wrong about the Indian deal. It transpired that as of 1 January this year we introduced similar restrictions on the proliferation of rocket technology, and this agreement was signed without the knowledge of the government or the Supreme Soviet by Glavkosmos [Main Space Technology Directorate], and responsibility therefore rests fully with Glavkosmos, which operates on the basis of financial autonomy, and specifically with [Glavkosmos Director] Aleksandr Ivanovich Dunayev. So finally, when we saw that our country started selling what it should and what it should not sell, our domestic restrictions on rocket technologies were extended to cover this area, too. On the other hand, neither our country nor the United States uses these cryogenic technologies in the military sphere, because other technologies are much simpler."

Replying to a question by the announcer, Bezyayev reiterates that the decision to modify the deal with India was not taken under pressure from the United States; the deal falls under our own nonproliferation regulations. The agreement to supply cryogenic engines will be fulfilled but technologies will not be supplied. "Thus, it became clear that this was not done under pressure from the Americans."

Finally, Bezyayev says that a $100 million agreement has been signed under which Americans will work in the Mir orbital complex. In addition, in September an agreement is expected to be signed to enable our scientists to help create the U.S. Freedom international station, and this will be a very lucrative contract for our space industry.

### Agency Interested in Cooperation

*LD0608081993 Moscow ITAR-TASS in English 0613 GMT 6 Aug 93*

[By ITAR-TASS correspondent Veronika Romanenkova]

[Text] Moscow August 6 TASS—Russia is interested in cooperation with all countries in the sphere of aeronautics, but Russia's impact on the world market in this sphere is practically non-existent because of a number of restrictions. Political decisions are needed for Russia to enter that market, where supply is already exceeding demand by about two-fold, Yuriy Koptev, head of the Russian Space Agency, said at a press conference on Thursday [5 August].

Russia is a monopolist in providing services dealing with the launching of space vehicles, and it is in this sphere that we could secure for ourselves an important place on the world market, Koptev believes. In other sphere we could not offer real competition to the western countries. For instance, Russia will be able to begin producing satellites carrying most up-to-date electronic and radio equipment only in five to seven years, when corresponding research programmes are completed.

However, we might get substantial profits from what we already have. There is a possibility of making 600 to 700 million dollars on international contracts before 1996. Aside from the agreements currently in effect, new cooperation agreements are being prepared, specifically, those with India and China.

### Agency Leaders 'Skeptical' on Future

*MK0608095893 Moscow KOMMERSANT-DAILY in Russian 6 Aug 93 p 9*

[Aleksandr Kondratyev report: "Russian Cosmonautics Finds Itself on the Verge of Crisis"]

[Text] The Russian Space Agency held a news conference yesterday devoted to the present state of Russian cosmonautics. According to the agency's chiefs, the situation can only be rectified through urgent state investments. Agency spokesmen were on the whole skeptical about chances for the Russian space industry to go commercial. They hoped, however, that Russia's space industry would play a somewhat larger role in the commercial launches market in the coming years.

According to statistics provided by the Russian Space Agency, the number of employees in the research institutes and design offices that work on the space program plunged 30 or 40 percent during the period from 1988 to 1993, if one takes account of the secession of the former USSR republics. The total number of those employed in the sector dropped 20 percent. The number of doctors and candidates of science working for the Russian cosmonautics sector fell 34 percent. The average monthly pay in the sector is now 19,600 rubles.

The agency's general director, Yuriy Koptev, stated at the news conference that the Russian space industry is in a slump caused primarily by insufficient state investments. According to the agency's chiefs, the Russian cosmonautics sector has in recent years been receiving as little as some 30 percent of the budget sums it has been entitled to.

According to Mr. Koptev, Russian cosmonautics is now in a "pre- cardiac state." He is convinced that Russia's cosmonautics sector will cease to exist in the coming 1 to 2 years—and possibly for good—unless there is considerable state support. Having painted so grim a picture, the agency's spokesmen complained about the insufficient attention the sector's needs are getting from the

Russian government and budgetary organization, but they hoped the current situation will nonetheless be rectified in the future.

The agency's chiefs voiced some doubts about the prospects of commercial cosmonautics in Russia. According to their forecasts, the world space market will not grow in the coming years—it will even shrink somewhat. According to Mr. Koptev, the only promising market for Russia is that of commercial launches of foreign satellites using Russian rockets.

In order to enter this market, however, Russia should scrupulously observe current international agreements in the field of technology export. In this connection, agency spokesmen touched on Glavkosmos' intention to deliver cryogenic rocket engines to India.

Mr. Koptev pointed out that Russia has signed a range of international documents banning the delivery to some third world countries of advanced rocket technology that can be used for military purposes. These agreements permit the transfer to India of finished engines, but they ban transfer of technical procedures and production facilities. Therefore, the agreement between Glavkosmos and India, according to Mr. Koptev, cannot be implemented in full.

## Supreme Soviet

### Presidium Secretary Previews 6 Aug Parliament Session

*LD0608074193 Moscow ITAR-TASS in English 0707 GMT 6 Aug 93*

[By ITAR-TASS correspondent Ivan Novikov]

[Text] Moscow August 6 TASS—Vitaliy Syrovatko, secretary of the presidium of the Russian parliament, described the agenda of today's joint meeting of the two chambers of the Russian parliament as "rather strenuous". "We intend to discuss a draft resolution of the session about the decision of the Central Bank to remove from circulation 1961-1992 banknotes, as well as some other issues, which, in accordance with instructions of the previous meeting, call for an urgent solution," he told ITAR-TASS.

Members of parliament are expected to resume the discussion of amendments to the law on the Council of Ministers. Legislators insisted at the previous meeting that the law should include time limits for the president to submit to parliament the candidatures of "power" ministers, if some of those posts become vacant. It is also quite probable that the parliament will discuss the interpretation of some articles of the constitution currently in effect. It was suggested at the previous meeting that the provision should be included in the constitution under which the resignation of "power" ministers will have to be coordinated with parliament.

According to Syrovatko, it is planned to discuss the draft law "On the Fundamentals of the Legislation of the Russian Federation on Labour Protection," which was returned by President Yeltsin to the parliament for repeated discussion, as well as a number of other draft laws at the insistence of the committee on the social development of the countryside, agrarian problems and food.

### Supreme Soviet Suspends Yeltsin Privatization Decree

*LD0608110193 Moscow ITAR-TASS World Service in Russian 1050 GMT 6 Aug 93*

[By ITAR-TASS correspondent Ivan Novikov]

[Text] Moscow, 6 Aug—The Supreme Soviet of the Russian Federation suspended Boris Yeltsin's decree of 26 July "Concerning additional measures to protect the right of the citizens of Russia to take part in privatization" until the Constitutional Court has pronounced on the constitutionality of the president's decree "On the state guarantees of the right of the citizens of Russia to take part in privatization," dated 8 May this year. The parliament adopted this decision today at a joint sitting of the chambers.

The Supreme Soviet is sending its petition to verify the constitutionality of the president's decree of 26 July to the Constitutional Court, asking that it should form a part of the case concerning the constitutionality of Yeltsin's decree "Concerning State guarantees of the right of the citizens of Russia to take part in privatization."

### Chubays Assesses Impact on Privatization

*LD0608125493*

[Editorial Report] Moscow Mayak Radio Network in Russian at 1030 GMT on 6 August carries a report by special correspondent Vera Shchelkunova reporting from the Russian Supreme Soviet session in Moscow on 6 August. Reception is good.

Shchelkunova states that the Russian Federation Supreme Soviet has adopted, virtually without discussion, a proposal suspending Russian Federation President Boris Yeltsin's decree on additional measures to protect citizens participating in the privatization program. The Supreme Soviet decision contains a proposal calling for a petition to be sent to the Russian Federation Constitutional Court requesting a review of the constitutionality of Yeltsin's decree.

Shchelkunova asks Anatoliy Chubays, Russian Federation deputy prime minister, to comment on the Supreme Soviet decision. Chubays states that the "main effect of the present decision will be that it will backfire on the very authors. Already, because of the previous decision, a wave of public protest has risen in many varied parts of Russia. Political parties, even those not supporting the

government and/or Yeltsin, have addressed the senselessness and absurdity of actions of this kind."

Chubays continues: "We have already prepared a fairly tough response." He then states that "it is perfectly clear that neither this decision by the Supreme Soviet, nor any similar decisions, will ever force the President or the Government to abandon guaranteeing citizens' rights to take part in the privatization program."

Chubays then says that "there is undoubtedly an unequivocal tough response to the present decision of the Supreme Soviet. It will be adopted by us in a matter of 3-4 days. I believe this time there will not even be a 10 percent fluctuation in the market price of privatization checks."

## Regional Affairs

### Arrest Reportedly Made in Ossetian Murder Case

*LD0508214893 Moscow Ostankino Television First Channel Network in Russian 2043 GMT 5 Aug 93*

[From the "Novosti" newscast]

[Text] Quoting unofficial sources, the radio station Ekho Moskvy reported today that in Vladikavkaz the group leading the investigation into the murder of Polyanichko [temporary administration head in North Ossetia] has arrested one of the members of the temporary administration, said to be an informer for one of the armed groupings active in the area.

### Polyanichko Slaying Aggravates Situation

*LD0508191193 Moscow ITAR-TASS in English 1836 GMT 5 Aug 93*

[By ITAR-TASS correspondent Vladimir Gondusov:]

[Text] Moscow August 5 TASS—The assassination of Viktor Polyanichko, head of the temporary administration in the zone of the conflict in North Ossetia and Ingushetia, Anatoliy Koretsky, commander of the Vladikavkaz military garrison, and Russian Security Ministry senior officer Viktor Kravchuk has seriously aggravated the situation in the region, acting head of the temporary administration in the conflict zone Yuriy Shatalin told ITAR-TASS.

Speaking about possible motives of Polyanichko's assassination, Shatalin said he did not understand who could benefit from his death.

### Yeltsin-Chernomyrdin Statement on Polyanichko Published

*PM0508144793 Moscow ROSSIYSKAYA GAZETA in Russian 5 Aug 93 First Edition p 2*

["Statement by the Russian Federation President and the Chairman of the Russian Federation Council of Ministers-Government" signed by B. Yeltsin and V. Chernomyrdin and dated 3 August 1993]

[Text] On 1 August 1993, while carrying out their service duties, V.P. Polyanichko, head of the interim administration in the state of emergency zone on the territories of the North Ossetian Soviet Socialist Republic and the Republic of Ingushetia; Major General A.G. Koretskiy, chief of the Vladikavkaz city garrison; and Senior Lieutenant V.D. Kravchuk, chief of the bodyguard, tragically met their deaths at the hands of armed extremists. A number of servicemen were wounded.

The lives of these Russian patriots were cut short while they were carrying out their civil duties in the country's most dangerous area. They were striving for just one thing: To bring peace and national harmony to our Russian land and give people faith and hope that there is a way out of the blind alley. But this is precisely what the criminal elements, who are keen to destabilize the situation across the entire Caucasus region, did not want.

It is no accident that this evil crime was committed at the precise moment when the efforts of the president, the Supreme Soviet, and the government have been able to turn the situation toward overcoming the conflict that has arisen.

The Russian president and government are taking all measures to find the culprits and hand them over to justice. Law enforcement organs, Ministry of Defense and Ministry of Internal Affairs troops, and the Russian Ministry of Security have been given instructions to close off all channels through which weapons and gunmen can filter into the territory of North Ossetia and Ingushetia and to embark on decisive actions to eliminate bandit formations, neutralize criminal elements, and confiscate weapons that are being kept illegally in the conflict zone.

We demand of the leaders of North Ossetia and Ingushetia that they strictly and consistently observe the laws of the Russian Federation and that they display reasonableness in this complex and critical situation.

The Russian Federation president and government urge the peoples of North Ossetia and Ingushetia to assist the interim administration and law enforcement organs in implementing measures to neutralize criminal elements and search for hostages and people who have gone missing without trace. Without this there will be neither peace nor quiet in your homes. We are firmly relying on the traditional wisdom of mountain peoples and their lofty sense of justice and honor.

The peoples of multiethnic Russia, true to the principles of friendship and fraternity, want to live in peace and harmony. But extremists, people without kith and kin blinded by a desire for personal gain and power, are doing everything they can to set peoples against one another and destroy the age-old unity and integrity of Russia.

The Russian Federation president and government announce their resolute intention to shield every citizen in the country from assaults on their life or human dignity, and to preserve Russia as a common Fatherland for all the peoples living on its soil.

[Signed] B. Yeltsin, V. Chernomyrdin

[Dated] 3 August 1993

### Rally in Vladikavkaz; North Ossetia 'Tense'

*LD0508164193 Moscow ITAR-TASS in English 1535 GMT 5 Aug 93*

[By ITAR-TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz August 5 TASS—The situation in North Ossetian districts bordering on Ingushetia is extremely tense, Major-General Aleksandr Khodov, secretary of the North Ossetian Security Council, told ITAR-TASS today. Peaceful people come under fire.

On August 4, militants attacked people of Sundzha village of Prigorodniy District who were making hay on slopes of hills. Aslan Tigiyev, 20, was killed. His uncle Valik Tigiyev was gravely wounded. Their car was damaged by mortar fire.

A large rally is held in the Freedom Square in Vladikavkaz for a second day. People of Prigorodniy district demand that decisive measures be taken to ensure the population's safety. Yuriy Biragov, first deputy speaker of the republic's parliament, told participants in the rally that "distructive forces provoke new escalation of hostilities in the region". He expressed the hope, however, that "population of the multiethnic republic will keep restrain and show wisdom and calm in the best traditions of highland people".

Members of the North Ossetian Security Council and representatives of the provisional administration visited today a number of populated localities of Prigorodniy District where the state of emergency operates. Specific measures were taken to ensure the safety of people in villages bordering on Ingushetia.

### North Caucasus Forum Denounces Nationalities Policy

*MK0508124593 Moscow NEZAVISIMAYA GAZETA in Russian 5 Aug 93 p 3*

[Timur Muzayev report under the "North Caucasus" rubric: "From Criticism to Specific Actions. Leaders of North Caucasus Democratic Forces' Assembly Dissatisfied With Russian Authorities"]

[Text] An emergency meeting of the North Caucasus Democratic Forces' Assembly [NCDFA] devoted to the assassination of Viktor Polyanichko, provisional administration chief of the state of emergency area in North Ossetia and Ingushetia, and his companions on 1 August was held on 3 August in Moscow. Opening the meeting, NCDFA general secretary Shmidt Dzoblayev noted that the terrorist act was committed at a time when hopes for stabilization in the conflict area were gaining ground among the region's residents.

According to the NCDFA leader, the new heightening of tensions in Ingushetia shows not only the intensity of the interethnic conflict, but also the dismal failure of the Russian authorities' nationalities policy. Dzoblayev believes that both at the Russian State Committee for the Affairs of the Federation and the Russian Supreme Soviet's Soviet of Nationalities, the drafting and implementation of nationalities policies is entrusted to those "who should not deal with this in any event." Mr. Dzoblayev sees this as one of the reasons for tensions in interethnic relations in Russia, which, in his view, may lead to the collapse of the Russian state.

Vasiliy Baronchuk, chairman of the NCDFA executive committee, also laid blame for the escalation of the Ingush-Ossetian conflict on the Russian authorities. He pointed out that the Russian Federation State Committee for the Affairs of the Federation was effectively doing nothing in the North Caucasus; the central authorities have failed to resolve emerging problems; and that once the problems turn into sharp conflicts, they start looking for "firemen." In Mr. Baronchuk's view, the main reason for the tragedy in Prigorodnyy Rayon was that high posts were filled with people who do not know local problems and do not understand the situation at all.

The NCDFA executive committee chairman pointed to an extremely explosive situation taking shape in Dagestan, where politically- motivated assassinations and terrorist acts occur nearly every week, he said. At the same time, both the Russian Supreme Soviet's Soviet of Nationalities and the State Committee for the Affairs of the Federation sit on their hands.

Russian Federation People's Deputy Abdullakh Mikitayev, who attended the NCDFA executive committee meeting, called on the leaders of ethnic and interethnic movements of the North Caucasus to progress from criticizing the central authorities to taking specific actions. Acknowledging that the Russian Government's nationalities policies indeed deserve criticism, Mr. Mikitayev suggested that an appeal be made to all the region's ethnic movements and parties to convene a unification conference to resolve interethnic problems and bring stabilization to the North Caucasus.

That new sharp conflicts are emerging in southern Russia was confirmed by addresses of Salav Aliyev, chairman of the "Tenglik" Kumyk People's Movement, and Mubariz-Bek Mursalbekov, deputy chairman of the "Sadval" Lezgin movement. They agreed that the worst situation is in Dagestan, whose government, in their view, is not only failing to help resolve the problems, but is making matters even worse. Mr. Aliyev believes that the Chernomyrdin government, by earmarking multimillion ruble subsidies to the old authorities, is in effect propping up those who are playing local peoples off

against each other. Mr. Mursalbekov, protesting the sellout of the interests of the Lezgins living in Azerbaijan, accused Ramazan Abdulatipov, chairman of the Russian Federation Supreme Soviet's Soviet of Nationalities, of "trading in peoples in broad daylight."

The NCDFA executive committee passed a resolution denouncing political terrorism and pointing to the inefficient work by the Russian State Committee for the Affairs of the Federation and the Russian Supreme Soviet's Soviet of Nationalities in the North Caucasus. NCDFA leaders called on the intelligentsia and the elders of the North Caucasus peoples to join actively in the effort to resolve explosive problems and to bring peace to the region. An expanded meeting of the NCDFA executive committee attended by authoritative figures from among the national intelligentsia was scheduled to take place at the end of August to draw up proposals to stabilize the situation in the North Caucasus.

It was very symptomatic that representatives of the North Caucasus Democratic Forces' Assembly, viewed as the region's most pro-Russian organization, leveled such strong criticism at the Russian authorities's nationalities policy. The inconsistency and unscrupulousness of nationalities policy pursued by the federal government in the Caucasus have already evoked indignation and protest even among the most loyal supporters of the metropolis and the current government.

### Kalmykia Offers Mediation in Ossetian-Ingush Conflict

*MK0508111493 Moscow KOMMERSANT-DAILY in Russian 5 Aug 93 p 4*

[Petr Stolyarov report in "Situation in North Caucasus" column: "Agreements Reached Not Implemented Yet"]

[Text] Yesterday in the town of Terek (Kabardino-Balkaria), a regular session was held of the mixed Ossetian-Ingush commission on refugees. Taking part were Russian Vice Premier Sergey Shakhray and Acting Head of the Interim Administration Yuriy Shatalin. The session discussed measures to implement the agreements on ensuring the return of refuges that were reached during the course of a recent meeting of the Russian, Ingush, and North Ossetian leadership in Moscow.

The Moscow agreements provided that the return of refugees to four settlements on the territory of Prigorodnyy Rayon in North Ossetia would begin in the first days of August, but the assassination of Viktor Polyanichko, head of the interim administration, caused that to be postponed indefinitely. As KOMMERSANT-DAILY reported earlier, in connection with this act of terrorism, the Russian president and the chairman of the Council of Ministers came out with a joint statement resolutely condemning the assassination of Russian officials and stressing that this "villainous crime has been perpetrated at the moment when the efforts of the president, the Supreme Soviet, and the government could reverse the situation toward overcoming the existing conflict." The tragic events in North Ossetia, the statement notes, once again show that criminal elements are interested in destabilizing the situation in the entire Caucasus region. The president and the prime minister assured that all measures would be taken to find the criminals and abolish all bandit-style formations in the conflict zone.

The measures proposed in the statement to stabilize the situation, along with the steps envisioned under the president's recent decree, are likely to dampen the wave of assassinations and armed assaults that has swept border regions in Ingushetia and North Ossetia for the time being. As Vice Premier Sergey Shakhray stressed at the Saturday session of the Russian Supreme Soviet, however, in their use of force, the interim administration will succeed only in preventing mass violence, whereas in order to finally settle the conflict, political accord on both sides is required. In the meantime, virtually none of the agreements reached between the leaders of Ingushetia and North Ossetia has been executed.

The Russian leadership, which has managed to get the sides to sit down at the negotiating table, shows indecisiveness when it comes to taking tough actions toward those who violate or disregard the agreements concluded. Although the intention to "live in harmony" with all the republics in this explosive region is quite understandable, this inaction is causing even greater damage to Russia's authority and provokes local leaders to further ignore Moscow's intermediary efforts.

A way out of this deadlock could be facilitated by a third force that is not involved in the conflict and therefore has not discredited itself in the eyes of the parties to it. Such a force could be, for instance, Kalmykia, whose president Kirsan Ilyumzhinov recently offered his mediation in the Ossetian-Ingush conflict and has already invited both leaders to come to his republic. In his opinion, Buddhist Kalmykia is naturally suited for mediation in settling a dispute between Muslim Ingushetia and Christian North Ossetia.

### Further on Battle of Kursk 50th Anniversary

#### Rutskoy Speaks at Commemoration

*LD0508151793 Moscow Russian Television Network in Russian 1251 GMT 5 Aug 93*

[Speech by Vice President Aleksandr Rutskoy at the commemoration of the WWII battle of Kursk in Belgorod on 6 August; from the "Telethon From Belgorod" feature—live or recorded]

[Text] Dear friends, people of Belgorod, participants in the Great Patriotic War, rear service workers, and participants in the Kursk battle:

Fifty years ago on this most sacred Russian soil, victory was won at the cost of unbelievable efforts and at the cost of great heroism and courage, a victory in a most mighty battle, a battle unknown in the history of wars. Here was

shown the strength and the courage of the great Soviet people—that was no slip of the tongue—of the Soviet people, because in this cruel and bloody battle the Kazakh, the Uzbek, the Armenian and the Azerbaijani, the Georgian, the Ukrainian, the Belarusian, and the Russian were together, shoulder to shoulder, and at that time we were all called the great and mighty Soviet people.

I have no doubt whatsoever that we will survive the harsh ordeals that we have to endure today, the ordeals that perestroyka consequently led to. We will survive them just like this evil year of war when the Soviet people fought against fascism and against the brown plague.

I have no doubt that we will again acquire that lofty title of Soviet people, and the Soviet Union, because we are united and indivisible. Today, taking this opportunity, I address....[interrupted by applause, whistles] I address the citizens of the Soviet Union because this is not just a Russian festival. It is a festival for everybody, and I think that today this festival is being marked by the whole Soviet people. So, taking this opportunity, we are holding this telethon to provide assistance and help for the veterans of the Great Patriotic War, the entrepreneurial structures, and commercial structures. Always remember that you are living not on your own account but on account of those bearing on their breasts the orders and medals received in the battle. We should give them what they deserve, because they must not be deceived any longer.

Life is such that a human being lives for a limited time only, and with every day there are fewer and fewer veterans. It is our duty, the duty of our generation, to give the veterans their due, and for this reason I address entrepreneurs, commercial structures, and manufacturing structures to provide assistance and to make funds available to help the people who earned happiness and freedom for us and for the whole people of the Soviet Union at such a price.

### Rutskoy on 'Superpower' Status

*LD0508131693 Moscow Radio Rossii Network in Russian 1100 GMT 5 Aug 93*

[Text] Russian Vice President Aleksandr Rutskoy has called on the great Russian people to join efforts to bring back the superpower. The RIA agency has quoted his speech at today's ceremonial meeting in Yakovlev, Belgorod Oblast, devoted to the 50th anniversary of the battle of Kursk.

In his speech the vice president noted that the power has now been placed into the position of going through extreme and serious ordeals. According to him, the disunity among the peoples of the former Soviet Union will only make the situation worse and will lead to new difficulties. To honor the fallen Soviet soldiers Aleksandr Rutskoy has called on the country to rise from its knees and to once again become a power which can ensure peace on the earth.

### Anniversary Reveals Conflict in Top Leaders

*MK0508104693 Moscow KOMMERSANT-DAILY in Russian 5 Aug 93 p 3*

[Valeriy Pogorelyy report: "Russian Leaders at the Kursk Bulge. Rumors About Government and Supreme Soviet Talks Refuted"]

[Excerpt] It would be tempting, on the 50th anniversary of the largest World War II battle, to use historical analogies to describe the actions of Russian leaders who, not wishing to meet with each other, stationed themselves yesterday all along the Kursk Bulge: Boris Yeltsin arrived in Orel, Ruslan Khasbulatov left the "city of the first victory gun-salute" and moved on to Belgorod, while Aleksandr Rutskoy came to Kursk. This would have been really funny if it had not been so sad—the conflict in the top echelons of power has come to resemble a squabble in a communal apartment. The anniversary tour of the state figures is analyzed by KOMMERSANT-DAILY parliamentary correspondent Valeriy Pogorelyy.

Shortly before the main protagonists in the Russian political play were off to tour the places of the glorious battle, information was leaked to the media about talks that might take place there between Deputy Prime Minister Oleg Soskovets, representing the government, and Vice President Aleksandr Rutskoy, representing parliament. They were allegedly to discuss chances of reaching a compromise on passing a new constitution at the Congress, of removing from the government remnants of the Gaydar team, and of forming a single concept of economic reform.

The deputy prime minister did arrive in Belgorod, but his press service tried to refute the rumors of talks, stating that "no one has empowered Oleg Soskovets to conduct talks on behalf of the government." But that obviously did not rule out that the deputy prime minister and the vice president could meet not as officials, but as spokesmen for certain political forces in the top echelons of power whose views on resolving the crisis coincide. No information about a meeting between Rutskoy and Soskovets was available by yesterday night, but whether it took place or not will become clear from the next moves by that part of the government that expresses the views of the large government-run businesses and whose view of the Gaydar reforms is close to that of the centrists in the party blocs and parliament—Viktor Chernomyrdin, Oleg Soskovets, Oleg Lobov, and Aleksandr Zaviryukha. Their attempt to evict from Staraya Ploshchad what remains of the Gaydar team, their statements in support of the position of the Supreme Soviet deputies (establishment of a government of people's confidence, the economy coming before a new constitution, making reforms benefit the average

person) indicate that an outflanking movement is going on behind the president's back. [passage omitted]

## EBRD Gives $174.3 Million Loan to Tyumen Oil Industry

*LD0508133193 Moscow ITAR-TASS World Service in Russian 1152 GMT 5 Aug 93*

[By ITAR-TASS correspondent Igor Galkin]

[Text] Moscow, 5 Aug—Tyumen oilmen are to get the biggest loan ever advanced by the European Bank for Reconstruction and Development (EBRD). Yuriy Shafranik, Russian Federation minister of fuel and power, and EBRD Vice President Mario Sarcinelli, signed an agreement today on the allocation of 145.3 million ecu ($174.3 million) for the development of the Purneftegaz production association.

The loan has a term of 15 years and repayments will start three years after the sum is handed over. The annual percentage rate is highly advantageous—4.5 per cent. The money, together with the association's own funds and a loan of 11.4 million guilders from the Dutch Government, will be spent to repair 300 oil wells which are out of action at the moment and to drill 84 new ones. Money will also be spent to modernize equipment and pipelines in the north Tyumen region. This will make it possible to increase extraction by 3.4 million tonnes in three years and to improve the utilization of gas. The hard currency proceeds from additional exports will enable the production association to pay off the debt. Potential suppliers will be asked to bid for the supply of equipment and other gear.

This loan will be a model for other banks, Mario Sarcinelli told journalists. The same approach can be used by other associations engaged in the extraction of oil and gas.

Yuriy Shafranik said the agreement will help to create an atmosphere of trust. Potential investors will see it as offering certain guarantees if they decide to enter the Russian market.

## Yakutia, Komi Want Continued Unequal Status for Regions

*MK0308112493 Moscow KOMMERSANT-DAILY in Russian 3 Aug 93 p 3*

[Ivan Sidorov report: "Regions Discuss Constitution. Yakutia Turns Down Constitutional Conference Draft"]

[Excerpts] Dancing in a shaman's getup together with indigenous people during his recent visit to Sakha (Yakutia) did not help Boris Yeltsin much. It transpired late on 27 July that the republic's Supreme Soviet declined to accept as the basis for further work the draft of the fundamental law drawn up by the Constitutional Conference. The draft constitution was noted by an extraordinary session of the Oblast Soviet in Yaroslavl Oblast. Representatives of the Komi Republic are likely to continue work in the Kremlin after the recess—this was decided in Syktyvkar at a joint session of the presidiums of the Supreme Soviet and the government.

The Supreme Soviet Presidium of Yakutia negatively assessed the draft of the fundamental law elaborated at the Constitutional Conference. The main reason preventing Yakutia's deputies from as much as submitting this document for discussion in the local parliament is contained in its articles on Russia's federal system. In the opinion of Yakutia's Supreme Soviet Presidium, the draft constitution concept provides for the principles of a unitary state. Neither are the leaders of the republic's representative authority happy with the idea elaborated in the constitution of "territorial guberniyazation" [territorialnaya gubernizatsiya]—a mechanical leveling of the status of republics, krays, oblasts, and national-territorial entities. Yakutia's parliamentarians think that the constitution must confirm that there should be different levels of relations between the federation's components and Moscow. [passage omitted]

A less definite situation is in Komi. The decision on continued work by the republic's representatives at the Constitutional Conference was only reached at a joint sitting of the parliament and government presidiums. This is a decision of principle, because it is at variance with the views of the federal parliament—which is trying to play down the importance of the Conference—and thus constitutes a measure of support for the president. As for the draft fundamental law, men in Syktyvkar think that it should be thoroughly discussed by the population of Komi. Since public polls indicate that voters in a majority of the republics are increasingly disappointed in Moscow and back their local authorities' drive for independence, it is very likely that as a result, in Komi too, they would try to insist on continued unequal position of the regions.

## Constitutional Commission Sends Draft to Regions

*MK0308103093 Moscow NEZAVISIMAYA GAZETA in Russian 3 Aug 93 p 2*

[Ivan Rodin report under "Parliament" rubric: "Russia Again Has Two Draft Fundamental Laws. Constitutional Commission Proposes Convening a Real Constitutional Conference in September"]

[Text] The constitutional commission of the Congress of People's Deputies has disseminated to the regions its own draft constitution. This was demanded two weeks ago by leaders of the soviets of the Russian Federation components who got together for a regular conference in Moscow. At that time they deemed it abnormal that the regional authorities were considering only the draft proposed by the constitutional conference, and warned parliament that its hopes that this draft would get bogged down in debate were groundless.

Therefore last Thursday Ruslan Khasbulatov, who had earlier opposed the inclusion of amendments from the Constitutional Conference's draft in the constitutional commission's draft, nonetheless signed a letter accompanying the draft. He asked the Federation components to submit to the White House before 1 October their proposals and remarks on the text of the Fundamental Law and also proposals on procedures for further work on it, as well as on procedures and a time frame for the adoption of the new constitution, considering that a constitutional congress is planned to be held on 17 November.

Oleg Rumyantsev in his turn also wrote a letter explaining what kind of draft was being sent to the regions, how it differed from the former "parliamentary" draft and the current "presidential" draft, and in what respects they coincide and differ. He noted that only some provisions had been borrowed from the draft by the constitutional conference: for example, on a common economic space and currency, on the president as head of state and not head of the executive branch, and also some other minor points. And this is really so. At the same time, Mr. Rumyantsev announced some points on which the two drafts differed: on the issue of federalism (the constitutional status of the Russian Federation components, their equality or inequality, procedures for forming the upper chamber of parliament, powers over the budget, and so forth); on the problems of interrelations between the president, the government, and parliament (the president's power to dissolve the legislative body, the mechanism for the government's accountability, and so forth). Differences also exist on sections related to human rights, in particular concerning the possibility of their constitutional limitation (including the right to land ownership), and on a civil society. There is no agreement on the final propositions of the constitution: procedures for its adoption and amending, the role of the constitutional conference, and the system of federal constitutional laws.

Oleg Rumyantsev also invited the representative branches of the Russian regions to express their opinion about the idea of creating in September "a really multilateral forum to clarify and harmonize disagreements on the constitutional reform." The draft by the constitutional commission with amendments "from the constitutional conference" has been published as a pocket-size brochure in 30,000 copies.

## Tatarstan President Reportedly Behind New Party

*MK0408093593 Moscow NEZAVISIMAYA GAZETA in Russian 4 Aug 93 p 1*

[Irek Namyz report: "New Party Being Founded. In President's Opinion, It Will Be the Largest of All"]

[Text] The founding congress of a "Unity and Progress" [Yedinstvo i Progress] movement is to take place in the Cultural Center of Tatarstan's capital on 4 August. Those behind the new movement idea are Rafael Khakimov, the Tatarstan president's adviser; Aleksey Kolesnik, Supreme Soviet chairman for ecology; and other Shaymiyev associates. Rafael Khakimov does not hide the fact that the "Unity and Progress" movement is the president's future party and constitutes the first stage in the run-up to the 1995 elections.

A presidential faction has long existed in the republic. There exist in the Supreme Soviet two extreme wings—the pro-Russian "Soglasiye" [Concord] faction (15 to 20 percent of the votes) and the national-radical "Tatarstan" faction (15 to 20 percent of the votes). As for the majority of deputies, their position nearly always coincides with that of the republic's president. They are conventionally called Shaymiyev's party, and now is the time to formalize it legally.

One can be certain that the founding congress of "Unity and Progress" will be a success because presidential initiatives are always backed by the republic's industrial managers, the rural population, a considerable portion of urban dwellers, businessmen of large- and medium-sized firms, and the World Congress of Tatars executive committee.

Answering your NEZAVISIMAYA GAZETA correspondent's question on the new movement, the president of Tatarstan stated that the time is not yet ripe for giving assessments, but in his opinion, this movement is going to be the largest of all in Tatarstan. "The people of Tatarstan do not accept any extreme movements, either national-radical or pro-Russia," Shaymiyev declared. The president laughed in answer to the correspondent's query as to whether the party can be considered to be Shaymiyev's party.

## Glazyev Gives Export, Import Figures During Arkhangelsk Visit

*LD0508180393 Moscow Mayak Radio Network in Russian 1700 GMT 5 Aug 93*

[Text] During a conversation with administrative and business circles in Arkhangelsk Oblast, Sergey Glazyev, Russian minister for foreign economic relations, mentioned significant changes which have taken place in the turnover of Russian foreign trade. Exports have grown for the first time in the last three years; on average they increased by 3 percent and now amount to $18.2 million. In contrast, imports have almost halved and now amount to $8.8 million. This was due to the end of subsidies on imports and a sharp reduction in imports owing to attracted foreign credits, Sergey Glazyev said.

## International Affairs

### Israeli Official, Ukrainian Ambassador Discuss Demjanjuk

*LD0508215093 Kiev Radio Ukraine World Service in Ukrainian 1800 GMT 5 Aug 93*

[Text] Yuriy Shcherbak, ambassador extraordinary and plenipotentiary of Ukraine to the State of Israel, met Uri Savir, director general of the Foreign Ministry of Israel. There was a talk during which they touched upon a wide range of issues pertaining to bilateral relations and international issues. In particular, Ukraine's stand in relation to the decision by the Supreme Soviet of Russia on Sevastopol was brought to the notice of the Israeli official, and documents of the UN Security Council session on this issue were handed over.

The ambassador and the director general of the Foreign Ministry of Israel talked about the preparation of a trade and economic agreement between the two states.

During the meeting, the sides did not avoid the case of John Demjanjuk which has of late been attracting attention. The ambassador's statement to this effect was handed over, and Uri Savir's attention was drawn to the fact that in certain Israeli mass media, Ukraine's stand is presented in a distorted manner and biased opinions of the Ukrainians role in the tragic events of the Second World War are given. Uri Savir agreed that emotions should not be stirred up, and the case of Ivan Demjanjuk should be referred to as a juridical problem rather than the problem of political relations between the two states.

### Official Decries UNA-UNSO Activities in Georgia

*AU0608104193 Lvov ZA VILNU UKRAYINU in Ukrainian 31 Jul 93 p 2*

[Undated open letter by deputy chairman of Ukraine's Security Service and chief of the Security Service Administration in Lvov Oblast Major General Vasyl Horbatyuk to the leadership of Ukrainian Nationalist Assembly-Ukrainian People's Self-Defense and residents of the region: "The Children of Ukraine Should Not Be 'Cannon-Fodder' in Conflicts Provoked by Political Ambitions"]

[Text] Recently an aircraft carrying wounded and killed members of UNSO [Ukrainian People's Self-Defense] arrived in Kiev from Tbilisi. Who had sent these young people to the front line in the zone of the Georgian-Abkhazian conflict and what for? So that, after they "smell gunpowder" there, these children will be ready to seize power in Ukraine with the help of weapons. The UNA [Ukrainian Nationalist Assembly] needs power to establish "STRENGTH, ORDER, and WELL-BEING" in our state. Under this motto, the Ukrainian Nationalist Assembly publishes the newspaper HOLOS NATSIYI [The Voice of the Nation]. As regards STRENGTH, the UNA-UNSO, mildly speaking, does not have enough of it to take serious political steps. I am sure that there will be even greater problems in achieving WELL-BEING. As for ORDER that is established by means of weapons, Galicians have experienced it, more than other people, from times immemorial. Tens of thousands of criminal cases and lists of persons shot without court proceedings or investigations more than 50 years ago, which are kept in the archives of the administration, remind us now about the "ORDER" that was established by the STRENGTH of weapons.

Among these cases is also the archival criminal case of Mr. Yuriy Shukhevych, who heads UNA and who has experienced in full the horrors of Stalin's concentration camps, where he spent the best years of his life. This is a sad memory....

I had a long conversation with Mr. Shukhevych and must state that UNA's present political actions do not take into account the bitter experience of the past, because it was not without his [Shukhevych's] blessing that the children of Ukraine found themselves exposed to bullets. I have recently asked myself yet another question. Is the leadership of UNA-UNSO so short-sighted that it seriously cherishes the hope of establishing order in the state and achieving well-being with the help of the Kalashnikov submachine gun [AK]? Come to your senses, sirs, the AK-74 fires bullets with a shifted center of gravity [zmishchenyy tsentr vahy]. With such "order," every Ukrainian citizen will have a chance of becoming an "enemy" of the state (I do not exclude myself either).

Dear reader, you too must give some thought to the fact that the leaders of UNA-UNSO are pushing our children to establish such "order"!

They started last year in the Dniester Region. There were no casualties there, and this encouraged the leadership of UNSO. This year, it decided to continue in Abkhazia. Yesterday, other peoples' children exposed themselves to gunfire and tomorrow, dear reader, your sons or grandsons may also turn up there, as already happened in Afghanistan.

I am father of two children and grandfather of two grandchildren. My son is a serviceman. An officer. If there is a misfortune and it is necessary to defend Ukraine, then both I and he—I am sure—will conscientiously fulfill our duty before the people. However, I am categorically against allowing those people, whose political ambitions are close to insanity, to control, like chessmen, the life of my and your children. A confirmation of this is 13 boys two of whom have been killed, five wounded, and six seriously wounded.

Mr. Vitovych and Mr. Shkil, today, you have no children of your own. You are young people, and do not take this as a reproach. I sincerely recommend you to experience the joy of fatherhood and hold your dearest babies. Perhaps, then, you will finally realize what great and terrible responsibility you have assumed before God and people. Before God—because the Savior said "THOU SHALT NOT KILL!" At the same time, you send people

if not to their death, then, at least, to kill others. Before the people—because you send their children either to their mutilation or to death. The curses of Ukrainian and Abkhazian mothers will fall or have already fallen upon you, mothers who will weep over the lifeless bodies of their—and that is why the dearest—children! Come to your senses! You have ventured upon a dangerous game, in which human life is not worth a brass farthing. You call this policy! Do you really believe that such a policy will bring order and well-being to Ukraine?...

It is useless to remind you that Ukraine is a signatory to the international convention banning such forms of interference in the internal affairs of other states and that the activity of UNA-UNSO, in this way, compromises our state at an international level. Such arguments have long ceased to have any effect upon you.

I would also like to ask you the following. Do you seriously believe that, by sending mercenaries to other people's fronts, you will be able to bring them up as devoted Ukrainian patriots? Those people who were lucky not to have been killed in the first battles and to have acquired certain skills in the technique of murdering the adversary will then regret their deeds for the rest of their lives or become hard-hearted and cold-blooded murderers for whom it makes no difference where, whom, and for what to kill and for whom killing gradually becomes the main profession. This is the fate of mercenaries. There can be nothing else. This has long been proved by worldwide research into the influence of combat action on the human psyche. Even if they are never wounded, the young chaps will, through your fault, Mr. Vitovych and Mr. Shkil, become spiritually crippled. Do the children of Ukraine, which needs their intellect, labor, and integrity, deserve such a future? Does a mother who has, probably, lost her only child and her only hope, deserve such a future? Did the two youths who have been killed deserve such a fate? The dead are not judged. With all my respect for them and for their parents, I cannot say that these children have died for Ukraine. They have lost their lives because of you, gentlemen, yes, because of you leaders of UNA-UNSO! How many more deaths and mutilations are yet in store?! You must give answers to these questions, first and foremost, to yourselves!

Every new day brings new alarming reports in the form of telegrams, summaries of operations, telephone conversations, letters, and numerous meetings with various people. I discuss this entire billow of information with operational officers, summarize it, make notes, and think it over late in the evening. Ukraine's Security Service Administration has been, is, and will remain well informed about all current problems and about the UNA-UNSO plans for the near and long-term future. Information on this constantly streams from us to the address of Ukraine's supreme legislative and executive power.

Officers of Ukraine's Security Service Administration warned the parents of each of the young people who were going to fight in Georgia that their child may perish. We will continue to warn them in the future.

We have done everything that depended upon us.

By publishing this letter, I also somewhat quell my own pangs of conscience.

Dear Galicians—Ukrainians, Russians, Poles, Jews, Armenians, and Georgians—all those who reside in Lvov Oblast, do not remain indifferent to the political irresponsibility of UNA-UNSO!

Today, grief has passed you by. Tomorrow it may cross the threshold of your home!

Respectfully yours,

Vasyl Horbatyuk.

### Kuchma Views Lithuania as Possible Oil Supplier

*LD0[illegible]210293 Kiev Radio Ukraine World Service in Ukrainian 1800 GMT 5 Aug 93*

[Text] Ukraine should not orient itself to the one and only source of oil supply currently available to it, that is Russia. Lithuania may become a new partner in this business. Such an opinion was expressed by Ukraine's Prime Minister Leonid Kuchma in his interview for journalists. He substantiated good prospects for this project by the fact that Lithuania is capable already of selling up to 6 million tons of surplus oil products annually. In this connection Leonid Kuchma reported about potential agreement with the head of the Lithuanian Government to hold relevant negotiations with Ukraine.

## National Affairs

### Growing Drug Use, Industry Detailed

*WS0608073093 Kiev KYYIVSKA PRAVDA in Ukrainian 20 Jul 93 p 4*

[Article by L. Denysenko: "Have a Shot and Get High..."]

[Text] In the past, we used to deceive ourselves, saying: "The Western debauchery and drugs do not threaten us; this vice will never take root here." That was a self-delusion because that evil had already plagued us, even if not on so large a scale as is the case at present. The Soviet mentality dismissed as inconceivable the slightest notion of drug trade on territory of the great socialist camp, let alone the notorious one-sixth of the globe's land.

And here are some facts received this year. The area devoted to marijuana fields in the CIS countries is 20-25 times larger than the rest of the world combined. The experts estimate that some 5-7 million residents of the CIS countries use drugs—four times as many drug-users compared to 1991. In Russia alone, there are 1.5 million drug addicts, while in Ukraine about 400,000 or even

more. An anonymous poll conducted among the students of nine higher-education institutes in Kiev—medical, teachers' training institutes, and the university among them—revealed that one out of every three persons polled used drugs, but naturally, was not registered as a drug addict. While in Kenya, for instance, only one-tenth of students smoke "grass."

As was emphasized at the briefing held for journalists at the Interior Ministry, the "real scale of the spread of drugs in Ukraine has grown alarmingly." This is caused by many reasons. The reasons for, so to say, consumers include the economic crisis, appalling impoverishment, nervous exhaustion, and the desire to escape from the miseries of life, but also superabundance. The first injection is followed by the second one, becoming a physical need. As for the dealers, the reasons are obvious—drugs have always been considered a "golden" business bringing hefty and quick profits. With the "client base" rapidly expanding, the speed with which the drug money turns over becomes immense.

Every year, more than 6,000 drug addicts are registered in Ukraine, of which 40 percent are minors. Ninety percent of all addicts are under 30 years of age. Half of them became addicted as teenagers.

While some five years ago, drug addiction affected primarily industrial regions and big cities, today, it plagues practically the entire territory of Ukraine. "A particular threat is the possibility of its spread in the Ukrainian Armed Forces," said the press release issued by the Main Public Relations Center and the Criminal Investigation Administration at the Ukrainian Interior Ministry.

Poppy is the most popular raw material for making narcotics. The bandages absorb the liquid, which is later pulled out with a syringe. All those unsophisticated trappings of a drug addict, authentic and confiscated, were displayed at an impromptu exhibition in one of the Interior Ministry's rooms—poppy straw, powdered poppy seed capsules, hemp, bandages, "ready-to-use' syringes, smoking dishes. It turned out that even the popular Efedrin flu drops can be used for making drugs in primitive domestic conditions.

The situation is complicated by the fact that Ukraine is a convenient transit territory for the "Afghan" and "Balkan" drug-trafficking routes. Our country, however, is not alone on the list of such territories. Both the former Soviet republics and all of the former socialist-camp countries have turned into a gigantic transshipment point on the way of narcotics to the United States and Western Europe from the "Golden Crescent" countries—Iran, Iraq, Pakistan, Afghanistan—and from Indochina, known as the "Golden Triangle." According to unconfirmed information, dealers from Russia, the United States, and Ukraine held a grand council last year in Zurich. The results of the council are unknown, but if they managed to agree on something, the narcotics turnover may increase at least 1.5-fold in several years—up from $500 billion at present.

Here is one more serious reason for anxiety. As all other CIS countries, Ukraine can grow into something more than just a transit territory in the nearest future. In other words, the production of narcotics can become massive, just like in our northern neighbor. Last year alone, 70 underground laboratories producing synthetic heroin, which is 100 times stronger than natural, were detected.

Undoubtedly, the Ukrainian raw material base for drug production is significantly below (thank God!) that of the Chu Valley, the area surrounding the Issyk-Kul Lake, and the "Hemp Paradise" in Taldy-Kurgansk and Dzhambul Oblasts. However, ready-to-use anasha, koknar, and opium were also confiscated in the Ukrainian dens. This might mean that some things are made in our country. They are purchased by our consumers. And you can be sure that drug dealers will launder their money instead of hiding it under a pillow. It is possible that based on the now already classic case of money-laundering by the Medellin cartel, the Columbian Mafia transferred narcodollars—absolutely legally—to their U.S business partners, who, in turn, manipulated gold bullions, and transferred the money from American banks to Panama, and then to Europe. If the Russian drug dealers are suspected of having links with the Medellin cartel, who can guarantee that this will not prove true?

Crime and narcotics go side by side. While 4,000 crimes were committed last year by drug addicts or people involved in drugs, the figure for this year has jumped to 14,700. A total of 211 dens were detected, and 13,000 cases of narcotics production, possession, and transportation were revealed. More than 3,000 crimes were committed by the addicts alone.

Convincing? The Ukrainian investigative bodies admit that narcobusiness has assumed the form of organized crime in the Republic. Last year, 617 criminal rings were smashed, whose operations spread beyond the state borders and were noted for their unique mobility, conspiracy, and armament.

In only one year, 14,500 metric tons of narcotics were seized, and it is anyone's guess how much still remained on the market. By the way, this figure for 1988 is three metric tons, for 1989 6.1 metric tons, and for 1990 8.2 metric tons. The increase of transit operations and the ever expanding opportunities for our users are appalling. In one of the former Soviet republics, custom officers confiscated $100 million of cocaine that was hidden in Columbian canned food. The merchandise is also smuggled inside live receptacles—the ampules are sewn in the skin or swallowed. Our custom and security agencies spotted such live receptacles many times. If you remember, as recently as this January, a load of narcotics worth of some 3 billion German marks, bound for Afghanistan, was seized in Uzbekistan. The newspapers reported then that the load was destined for the United

States. It seems that no such large-scale, mega-dollar operations have been reported in Ukraine for this year. But one had better knock on wood...

According to international statistics, that one user draws into addiction four more, who, in turn, engage yet another 16 persons. The progression is fast and horrible.

So how can we fight this? The problem of combating drug addiction, Mafia, trade, procurement, and consumption is mainly loaded onto the shoulders of the militia. Given the poor equipment of the hospitals and lack of qualified personnel, it becomes clear why only 30 percent of the addicts can receive any kind of treatment, even though they want to do so voluntarily.

MVS [Interior Ministry] and SBU [Ukrainian Security Service] special units and customs agencies are understaffed and underequipped; and the measures that they undertake are episodic and fragmentary. The narcotics-detection equipment is not produced in Ukraine. There is not even a facility for training the drug-sniffing dogs.

There are many things that we do not have. It is easier to say what we have. What we have is porous borders (very convenient for drug trafficking); insufficient customs agencies; suspicious joint-ventures where one can easily launder the drug money; and most important, entirely flawed legislation that is hopelessly obsolete and fails to correspond with the UN recommendations, which were ratified by the Ukrainian Supreme Council.

The situation is complicated by the lack of international agreements on collaboration in drug-combating. This applies to the countries of both near and far abroad. Another sad fact is that our membership in Interpol remains undecided, because its members are supposed to pay in hard currency.

Another problem is that court experience gathered during narcotics-related trials is not systemized, which allows every fifth drug dealer get off the hook and go unpunished.

Political destabilization, corruption, poverty, porous borders, and many other things provide a kindling ground for narcobusiness. Let God help us understand this before it is too late.

### Defense Minister Reports Army Hardware Reductions

*LD0508164993 Kiev UNIAR in Ukrainian 1445 GMT 5 Aug 93*

[Text] Kiev, 5 Aug (UNIAR)—Ukrainian Defense Minister Colonel General Kostyantyn Morozov has told VIYSKO UKRAYINY that the Ukrainian Army has reduced its hardware by 2,300 tanks, 2,400 armored vehicles, and 477 combat aircraft. Work is under way to reduce Ukrainian Armed Forces personnel, which numbered 525,000 men on 1 April 1993. Tactical commands will be set up to replace former military districts. These will consist of army and mechanized corps, mechanized tank divisions and brigades, and army training centers. The development of a single system of supply, provision, and control of hardware and armaments will save a considerable part of the state budget.

### Council of Ministers Discusses Social Security Measures

*WS0508145793 Kiev Ukrayinske Radio First Program Network in Ukrainian 1300 GMT 5 Aug 93*

[Text] Today, a Council of Ministers session was held under the chairmanship of Prime Minister Leonid Kuchma. At the session, it was pointed out that due to considerable increases in prices of power resources imported by Ukraine, the Ukrainian economy is facing hard times. Inflation processes are continuing. This calls for accelerating the drafting of measures on social security for the people. In particular, increases in the minimum wage, retirement pensions, and other allowances were discussed, [words indistinct], as well as monetary assistance to disabled citizens of scanty means. The session also discussed the issues of additional compensations to the people and cheaper catering for workers of mining industries.

### Tariffs Raised for Natural Gas, Electric, Thermal Power

*LD0508163893 Kiev Ukrayinske Radio First Program Network in Ukrainian 0900 GMT 5 Aug 93*

[Text] In connection with the increase in the price of energy-carriers, mutual tariffs for enterprises and organizations of the national economy, excluding domestic users, are increasing from 6 August this year—namely by 1.25 times on average for natural gas, by 1.5 times on average for electric power, and by 1.4 times on average for thermal power. Specific rates and prices of tariffs, depending on the nature of their consumers, are communicated to enterprises by gas and energy supply organizations. New wholesale prices for natural gas and tariffs for electric and thermal power will be introduced for enterprises of the bakery and meat and dairy industries, irrespective of their subordination, by means of separate instructions.

### Minister Views Grain Harvesting Prospects

*LD0508225193 Kiev Radio Ukraine World Service in Ukrainian 1900 GMT 5 Aug 93*

[Text] Current purchasing prices for grain are sufficient to carry out production activity. Such is the opinion of Yuriy Karasyk, minister of agriculture and provisions. According to him there can be no economy whatsoever and, therefore, no state without a high price for grain. In an interview for correspondents he expressed certainty that this year's harvesting would be carried out at a highly productive level. In the opinion of the minister, harvesting is a serious test of the government's agrarian policy, which should be based on producer's interest.

### Ministry Reports Effect of Strikes

*LD0508221293 Moscow Programma Radio Odin Network in Russian 1430 GMT 5 Aug 93*

[Text] During the first six months of this year, 399 enterprises, institutions, and organizations in Ukraine were affected by strikes. This was reported by the Ukraine Ministry of Statistics on 31 July. In June, 200,000 representatives of enterprises were on strike and the losses amounted to more than 131 billion karbovantsi.

### Leaders Urged To Stop Language Referendum in Donetsk

*LD0508163193 Kiev Radio Ukraine World Service in Ukrainian 1200 GMT 5 Aug 93*

[Text] Ukrainian People's Deputies Yuriy Hnatkevych, Roman Ivannychuk, and Pavlo Movchan have sent an appeal to the Ukrainian president and Supreme Council chairman concerning a decision by the latest session of the Donetsk Oblast Council of People's Deputies to hold an advisory referendum among the population on 26 September about whether Russian should be given the status of a state language along with Ukrainian.

The authors of the appeal stress that Donetsk oblast leaders at all levels are suspected of aiming at something else, since, after all, nothing is in the way of the Russian language in the region.

Broaching the subject of language at a time of economic instability is designed to exacerbate the political situation. The issue of the state language is solely the jurisdiction of the Supreme Council rather than of regional, district, or village councils.

The people's deputies are asking the president and the speaker of parliament to take measures to abolish the decision, which they say is unlawful and provocative, and thus blocking the road of confrontation in the Donetsk region.

### Civil Aviation Facing Crisis

*LD0408103193 Moscow Ostankino Television First Channel Network in Russian 0800 GMT 4 Aug 93*

[By correspondent Vitaliy Pidkenchko, including interview with K.A.Ivanov, first deputy commander of Kharkov aviation enterprise; from the "Novosti" newscast]

[Text] Ukrainian civil aviation is seriously ill. Because of a shortage of fuel, hundreds of airliners are either lying idle or being chartered to foreign airlines, or are being farmed out to local traders, and carrying out shuttle flights abroad. As for the traditional domestic lines, they have virtually all closed down. From Kharkov, for instance, until quite recently there were about 100 flights a day, but now there are only three. Furthermore, flights to Moscow and even to the national capital Kiev have been cancelled.

Meanwhile, prices for aviation fuel continue to rise: In Ukraine they are already higher than world prices—a tonne costs 350 dollars as against 280-290 in the Western Europe countries.

[Pidkhenchko] So (?within a year) shall we be attending the funeral of civil aviation in Ukraine?

[Ivanov] (?We have) such a large number of airports—there are about 30. That is a lot for such a comparatively small republic and such a state. We must outline a program for the number that will be kept—10 for instance—and deal with their development, with the aim of serving the mass consumer.

## Kazakhstan

### Government Increases Fuel Prices

*LD0508175693 Almaty KAZTAG in Russian 1200 GMT 5 Aug 93*

[Text] [no dateline as received] A government session has taken place under the chairmanship of Prime Minister Sergey Tereshchenko. The meeting discussed proposals by the Economy Ministry's price committee to regulate fuel prices.

It was noted that all CIS countries, especially Russia, have recently taken steps to adjust these prices to world levels and that this trend is a demonstration of existing realities. Naturally, Kazakhstan cannot stand aside from this.

Different opinions were expressed at the session, but the government finally concluded that under the current conditions an increase in fuel prices is unavoidable.

Due to the increase in the price of fuels imported from the Russian Federation and the Central Asian countries, it was decided to increase the prices for fuels, oil products, supply-line and liquefied gas, and electrical and thermal energy on average by a factor of 2.1 from 1 August throughout the republic. This will increase the total spending on fuels in the national economy by more than 1.2 trillion rubles [R] during the remaining five months.

The government established a limit for the price increase for the basic services provided to the population. Power for household appliances in the countryside will be sold at a price of R4 per kilowatt hour and in the cities for R6. A cubic meter of supply-line gas will cost R13.5, and a kilogram of compressed gas R52.5. Prices for heating kerosene, fuel used for stoves, and thermal energy for central heating and hot water supplies will double. The cost of sewage and water supply services, and the use of radio and international trunk calls will be trebled. Telephone rentals will increase to R540 a month.

Telephone charges will remain the same for pensioners and invalids, who are paid surcharges in addition to their pensions to enable additional care to be taken of them, for other pensioners who are living on their own, and for invalids (spouses).

The government is also keeping at the same level the amount and procedure for monthly payments, which will make up for the increase in tariffs for municipal services set by a government resolution at the beginning of this year for the least provided sections of society.

The meeting endorsed the draft of an agreement on setting up an economic union of the CIS member-countries.

### Data on Budget for First Half of 1993

*LD0508174093 Almaty KAZTAG in Russian 1200 GMT 5 Aug 93*

[Summary] Budget: Outcomes for the first half of the year evoke discontent. Improvement of financial, crediting and monetary policy, as well as enhancing the role of the Finance Ministry, was at issue at an extended session of the Finance Ministry Collegium. Prior to the discussion, Minister Yerkeshbay Derbisov called the budgetary outcomes for the first half of the year distressing. The economic situation in the republic, as it was noted in the report by Deputy Minister Kolan Amanov and speeches of participants, still remains tense. The level of inflation is high. The imbalance of monetary circulation is growing. The growth of the population's incomes predominates over expenditures more and more. The ruble's purchasing power is declining. The past half showed that market mechanisms failed to ensure financial discipline. Many enterprises find themselves on the verge of bankruptcy because of disrupted economic ties and nonpayment. The number of loss-making enterprises is still high.

The economy's ability to be regulated is very low. State enterprises are practically unmanageable. Tax, currency, credit and customs, holidays and allowances granted to some regions and economic branches are not used properly and do not produce the desired results. The revenues according to the state budget for the first half of the year amounted to 862.8 billion rubles (52.1 percent) together with credits. The expenditures amounted to 788.8 billion rubles (47.7) whereas the updated plan equalled 1.6546 trillion rubles. The republican budget is made up of revenues 75.2 percent. Revenues for the first six months amounted to 634.209 billion rubles which makes 79.7 percent against the planned 795.864 billion rubles. This shortage is connected with revenues not received from foreign economic activities—123.840 billion rubles and rent payments 165.541 billion rubles as well as underpayment to the Fund of Economic Transformation of 215.229 billion rubles. Significant losses to the budget are connected with the payment crisis, cuts in production of strong beverages and beer. Besides, revenues received as VAT [value added tax] in eight oblasts were lower than expected.

### Government To Send Humanitarian Aid to Gorno-Badakhshan

*LD0508131293 Moscow ITAR-TASS World Service in Russian 1118 GMT 5 Aug 93*

[By ITAR-TASS correspondent Gennadiy Kulagin]

[Text] Almaty, 5 Aug—In view of the extremely grave food supply situation in the Gorno-Badakhshan Autonomous Oblast of Tajikistan, the Government of Kazakhstan has decided to send urgent humanitarian aid to its population.

Two railway cars of flour, a railway car of pearl barley, 26 tonnes of sugar, butter, lard, pasta and tea, and 30,000 standard cans of tinned meat are being sent to the afflicted inhabitants of Tajikistan. The goods will be delivered to the area where a composite battalion from Kazakhstan is deployed. The soldiers will ensure that they are forwarded to their destination.

### Nazarbayev Sends Condolences to Yeltsin, Polyanichko's Family

*LD0408135493 Almaty Kazakh Radio Network in Kazakh 2300 GMT 3 Aug 93*

[Excerpts] Nursultan Nazarbayev sent condolence telegrams to Russian Federation President Boris Yeltsin, Viktor Chernomyrdin, chairman of the Russian Federation Council of Ministers, and relatives of Viktor Polyanichko, head of the interim administration in the Ingush Republic and North Ossetia who tragically perished in the zone of conflict. [passage omitted]

This tragic event is another warning that it is necessary to put more active efforts into all-around integration of our states to accelerate social and economic reforms, stabilize the social and political situation, and prevent brother-killing conflicts and meaningless deaths. [passage omitted]

### ROK-Kazakhstan Refrigerator Plant Opens in Karaganda

*PM0408114393 Moscow Ostankino Television First Channel Network in Russian 0500 GMT 4 Aug 93*

[By Gennadiy Sytykh from Karaganda; from the "Novosti" newscast]

[Text] [Sytykh] Only three months have passed since the signing of the contract, and today honored guests are already switching on the main production line. The joint venture's founder members comprise major Kazakh enterprises and the South Korean company Samsung. The product in question is a state-of-the-art 280-litre refrigerator-freezer. Its distinguishing feature is that it does not frost up. This is new in world practice.

For the time being, all the components are being supplied by Samsung from Korea, but in two years their production will have been mastered here, in Karaganda.

[Unidentified plant official] In view of the fact that between 400 and 500 refrigerators will be produced here per day, I reckon that we will be able to saturate the Kazakh market with refrigerators within a year or 18 months. Subsequently we will be able to supply CIS countries and anyone who is interested. At present our order books are full for more than a year ahead.

[Sytykh] The plant will also produce washing machines, air-conditioners, microwave ovens, and other sophisticated domestic appliances.

## Kyrgyzstan

### Akayev Describes Gold Deal With Canadian Firm

*PM0508140193 Moscow ROSSIYSKAYA GAZETA in Russian 5 Aug 93 First Edition p 7*

[Vladimir Berezovskiy report under the general heading "'Gold Bombshell' For the President"]

[Text] Tashkent—Askar Akayev, speaking at the Supreme Soviet, set out his position very clearly. In his view, it is necessary to issue concessions for goldfields as quickly as possible so as to obtain Western credits for the valuable bars. It will be simply impossible to overcome the financial and technical problems using our own efforts. Last year the republic received only a quarter of the amount of gold mined in 1990, and production continues to fall.

Even in the former USSR nobody tackled the "Kumtor" deposit. It is located in the mountains at a height of 4 km. The Canadian firm Cameco decided to take the risk. It will initially invest $45 million in an open cut, mining and enrichment factory, airfield, housing, roads, and power lines, and will then borrow $250 million from the European Bank for Reconstruction and Development, with the aim of obtaining its first commercial gold in 1997. Seventy percent of the profits will go to Kyrgyzstan, and 30 percent to Cameco, which is staking everything on the venture.

Realizing that the contract with Cameco had been concluded in circumvention of the law on concessions, Askar Akayev proposed that it be referred for international expert review. This was agreed to by the Canadian entrepreneur Leon Khomyanyuk [surname as transliterated], who is convinced that the contract is watertight.

Will a "gold bombshell" explode?

### Military Leader Draws Up Mobilization Plan

*LD0508161893 Bishkek KYRGYZKABAR in Russian 1103 GMT 5 Aug 93*

[Text] Bishkek, 5 Aug—"If you want peace, prepare for war." Following this piece of wisdom, Major General Subanov, the new chairman of Kyrgyzstan's State Defense Committee, has drawn up and presented to commanders of troop units a mobilization plan in the event of armed conflict. The commander also gave an account of their preparedness.

You never know: Tajikistan is next door, and God looks after those who look after themselves.

## Tajikistan

### Foreign Ministry Statement on Gorno-Badakhshan Situation

*LD0508153393 Moscow ITAR-TASS World Service in Russian 1430 GMT 5 Aug 93*

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 5 Aug—The Tajikistan Ministry of Foreign Affairs today issued an official statement assessing the sociopolitical situation in Gorno-Badakhshan autonomous oblast and the actions of republican government forces in regions bordering the Pamirs. The document says in particular:

"Ministry of Defense and Interior Ministry subunits were forced on 1 August to begin military operations to eliminate the armed antigovernment formations located in Tavildarinskiy Rayon adjoining the Pamirs. The national government has never ruled out ways toward a peaceful resolution of the situation which has arisen by means of a policy of negotiation. Throughout the course of the negotiations, which have repeatedly been begun at the initiative of the republic's leadership, however, the peaceful proposals by the leadership have come up against the obstructionist position of the leaders of the Tavildara combatants. They refused to comply with the decree by the Presidium of the Supreme Soviet of the Republic of Tajikistan 'On the Voluntary Handing Over and Confiscation of Firearms and Ammunition' and rejected proposals for halting the destabilization of the sociopolitical situation in the region and for removing the economic blockade of Gorno-Badakhshan autonomous oblast.

The combat operation of the government forces aimed at the elimination of the armed groups in the Pamir Tavildarinskiy Rayon and the lifting of the blockade in the area of the Dushanbe-Khorog road in the section of Khapurabat pass was started with the knowledge and consent of the leadership of Gorno-Badakhshan autonomous oblast. The operation is proceeding successfully. Several armed groups on the southern and northern banks of Tavildarinskiy gorge and in the areas adjacent to Dashti Sher and Khur have been completely defeated."

### Rakhmanov Assures Aid Deliveries

*LD0508160393 Dushanbe Radio Dushanbe Network in Tajik 0400 GMT 5 Aug 93*

[Text] Imamali Rakhmanov, head of state and chairman of the Supreme Soviet of the Republic, received Patrick Peterson and Robert Edelson, representatives of the Aga Khan Foundation, on 4 August.

Imamali Rakhmanov assured the guests in the course of the talk that the leadership of Tajikistan will take all necessary measures to stabilize the situation in the whole territory of the Republic, especially in Gorno-Badakhshan Autonomous Oblast. The leadership of the Republic is trying to supply the inhabitants of Badakhshan with food and other necessities. The issue of the necessity of the Aga Khan Foundation implementing the development program for Gorno-Badakhshan Autonomous Oblast and other parts of the Republic was discussed.

The head of the state stressed that he is ready to cooperate with the Aga Khan Foundation. Imamali Rakhmanov has once again offered an invitation for the Aga Khan to visit Tajikistan.

Stanley Escudero, U.S. ambassador extraordinary and plenipotentiary to Tajikistan, Kozidavlat Koimdodov, deputy chairman of the Supreme Soviet of the Republic, and (Karimjon Yuldoshev), adviser to the head of state, attended the talk.

### Government Troops Continue Operations

*LD0608081593 Moscow ITAR-TASS World Service in Russian 0730 GMT 6 Aug 93*

[By TIA-KHOVAR-TASS correspondent]

[Text] Dushanbe, 6 Aug—Tajik Government forces are continuing their operations in the Tavildara Rayon against the anti-government opposition's armed formations. A correspondent of the Tajik KHOVAR agency has been told at the republican Defense Ministry that one of the storage facilities belonging to the guerrillas and containing a large quantity of arms and ammunition has been seized during the course of the operation.

### Situation 'Relatively Calm' on Border With Afghanistan

*LD0608075293 Moscow ITAR-TASS in English 0555 GMT 6 Aug 93*

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 6 Aug—The operational situation on the Tajik-Afghan border, including the Pyandzh and Moskovskiy sectors, was relatively calm last night. At the same time, an ITAR-TASS correspondent was told at the command HQ of the group of Russian border troops in Tajikistan this morning, it cannot be ruled out that anti-government groupings would try again to cross from the territory of an adjacent state. Attention was drawn to the concentration of Tajik militants and Afghan mojaheds with armoured vehicles in the border provinces of Kunduz and Takhor.

Taking this fact into account, the HQ of the group of border troops stressed, border posts are being vigorously reinforced with engineer construction and combat means, more personnel are being brought in. It is noted that all these measures are of strictly defensive nature.

### Refugees Assail Kyrgyz Troops

*LD0608103793 Bishkek KYRGYZKABAR in Russian 0644 GMT 6 Aug 93*

[Text] Bishkek, 6 Aug—"The Kyrgyz battalion was met with hostility on the roads of Tajikistan; they threw stones and made gestures as if they wanted to cut our throats," according to a report from journalist Aleksandr Kim, which was transmitted today to his newspaper VECHERNIY BISHKEK. He is unable to return home from the place where the troops are stationed because the roads are closed.

The refugees told the author of this report that unless [word indistinct] the Tajik government provides food aid for the Pamiris [inhabitants of Gorno-Badakhshan], they will open the gates to the mojahedin, and together with them they will march on Dushanbe. After all, people are lacking food because cargo is travelling from Kyrgyzstan along the Osh-Khorog highway. [as received]

The Kyrgyz battalion is now engaged in combat preparation. In a week's time a troop unit will be transferred to the front.

## Turkmenistan

### Extra Checkpoints To Be Opened With Iran, Afghanistan

*LD0508180493 Moscow ITAR-TASS in English 1734 GMT 5 Aug 93*

[By ITAR-TASS correspondent Lyudmila Glazovskaya]

[Text] Ashgabat August 5 TASS—Additional checkpoints for cargoes and passengers will be opened by Turkmenistan before the end of the year, Artyk-Lyutfabad and Saras on the Iranian border and Imamnazar Akina on the Afghan border. Decrees to this effect were published today. This has become a confirmation of Turkmenistan President Saparmurad Niyazov numerous recent statements about the intention to expand mutually-advantageous economic cooperation with Iran and Afghanistan and to announce that the border with these states is a "border of friendship and brotherhood".

The Turkmenian state energy and technological corporation Kuvvat will conclude this year the construction of an electric transmission line which is to reach the Turkmenian-Iranian checkpoint Gaudan where a centre of border trade will be built by the end of the year. Next year the corporation will complete the construction and installation of equipment at power-generating facilities in Afghanistan. Afghanistan will also be assisted in prospecting for oil and oil processing in northern provinces, in water supply for populated localities and laying out of highways. The Turkmenian side will bear the expenditures. Part of the funds will come from the centralised budget and part will be provided by the commercial joint-stock investment Bank Turkmenistan. Materials and equipment will be provided by the republic's Supply Committee.

Local observers note that Turkmenistan, guided by the principle of positive neutrality and noninterference in internal affairs of other countries is consistently implementing the intention to strengthen mutually-advantageous relations with countries that have a lengthy border with it. Turkmenistan regards this as an earnest of peace and calm on the border.

### Government Threatens To Cut Off Georgian Gas Supply

*LD0508163593 Moscow Mayak Radio Network in Russian 1400 GMT 5 Aug 93*

[Text] Georgia's debt to Turkmenistan amounts to $60 million for gas deliveries and about $50 million on correspondent accounts, and Georgia is unable to pay. This was revealed at government-level talks in Ashgabat. The Georgian side offered to settle its debt by actively participating in the construction of a number of facilities in Turkmenistan.

However, the Turkmen side did not regard this offer as a serious one, as there is more than enough labor resources in the republic.

As a result, Turkmenistan demanded that the debt be repaid by 9 August. If this condition is not observed after that date, the gas supply to Georgia will be stopped.

## Uzbekistan

### Karimov Interviewed on Socioeconomic, Foreign Policies

*PM0508133593 Moscow PRAVDA in Russian 5 Aug 93 pp 1-2*

[Interview with President Islam Karimov by Adibek Kaipbergenov and Gennadiy Seleznev in Tashkent; date not given: "We Are Working For Tomorrow Without Rejecting Yesterday"]

[Excerpt] [passage omitted] [PRAVDA] Islam Abduganiyevich, to give PRAVDA readers a fuller idea about you at the start of our talk we have published a brief account of your life. Does it contain lines which you would not like to remember today?

[Karimov] No. I, like my people, can only take legitimate pride in our ancient and recent history. It has been filled with labor for the welfare of our land and children. And if there were any mistakes then they were by individual leaders.

And as for my brief party past, here too I have nothing to be ashamed of. Nor, indeed, do hundreds of thousands of communist party members. After all, the overwhelming majority labored honestly, considering only how they could most benefit their motherland. And no

one will venture to condemn them for that. After all, if you take the former Union as a whole, real dissidents at the time could be counted on the fingers of one hand...

In selecting cadres for work we proceed primarily from their professional qualities. Not the least role is played by moral categories like honesty, patriotism, and the desire and ability to work for the benefit of the motherland. As you can see, in these principles there is no division into "partycrats" and "democrats."

[PRAVDA] Comrade president, with your permission let us recall one of our readers who imparted to the editorial office his thoughts and doubts, which in many ways chime with what others write. In particular he wrote: "I shall never forgive the political leaders, first of the Union and then of several sovereign states, my visceral fear for the life and future of my children, my wife, my parents, brothers, and sisters." We are not inclined to address these words directly to you, mindful of the time at which you took up leadership of the republic. At the time small corners of the terrible tragedy in Fergana Oblast, which took dozens of life, were still smoldering. In one of your first policy speeches you stressed: "Uzbekistan will not withstand a second Fergana. There will be no second Fergana. Have your views changed since then?

[Karimov] You have touched on a serious problem. The point is not even that, in my view, at the time, obviously with the permission of the center many publications and television and radio reported the tragic events superficially, restricting themselves merely to "horror pictures" and sticking on labels in blatantly chauvinist terms. Yet the sources and reasons for the tragedy were far deeper. Socioeconomic problems accumulated and were not resolved for years. Take as an example the rural inhabitants—they make up over half our population. Several generations of families lived on a small plot of land. If you consider the impoverishment of people living on fertile land which could provide three harvests a year, the wounding of and in some places complete disregard for national traditions and way of life, the domination of the cotton monopoly, from which the peasants, its producers, did not receive the necessary income, then the conditions in which these tragic events developed will become clear. Is that not fuel for social explosions? The decision we made at the time to allocate land plots for houses and kitchen gardens largely defused the situation. Since 1989 over 0.5 million hectares have been distributed to people in the villages. I note that these are the best irrigated lands. Several million families have begun to construct houses for themselves and work their land. The surplus output from these plots has gone to the bazaar.

[PRAVDA] In your book "Uzbekistan. Its Path of Renewal and Progress" [Uzbekistan. Svoy put obnovleniya i progress"] you dwelled in detail on the special fundamental provisions of the Uzbek model for reforms. Could you not describe them briefly for PRAVDA readers?

[Karimov] The first principle is the deideologization of the economy. It should have priority over politics. Second, in the period of building the new society, especially at the transitional stage, the state should not release the management of the economy from its hands; it should remain the main reformer. The law is above everything. That is the third point. Fourth—a strong social policy, the protection of particularly vulnerable strata of the population, old people, and children, with unfailing consideration for the republic's demographic, historical, and cultural features. And fifth, the reforms should proceed without haste, by stages. The transition to a market footing is not an end in itself but primarily a means of ensuring a dignified and prosperous life for the population. We believe that there is no point in us destroying the house in which we grew up and in which we are living if a new one has not yet been built.

In choosing our path of development we hope that our people will meet with the peoples of the other countries of the former Union in their final goal—a civilized socially oriented market economy and democracy. We want and, I am sure, we can achieve this goal without social upheavals and people's impoverishment, without anarchy and the destruction of statehood and legality.

[PRAVDA] Unfortunately, not all our readers from various regions of the former USSR are so optimistic.

[Karimov] I am sure of it. If I lacked the certainty, I would not have taken on the very great responsibility for the fate of my country and my people at this turning point in our history.

[PRAVDA] Today you are regarded as a consistent supporter of closer cooperation within the CIS framework. Is that the sober position of a professional economist or is it based on political calculations?

[Karimov] Many of our troubles, I am deeply convinced, come from the fact that from who knows where there has appeared that notorious distinction between "politicians" and "economists." Yet problems of politics and the economy are today almost indivisible. And when for the sake of some immediate political gains the economy is sacrificed, then the results can be seen. I personally find it hard to deal with politicians who fail to consider the economic consequences of each step they take. It is the lack of coordination between policy and the objective laws of economic development which in my view can explain the lack of effect of the decisions we are making within the CIS framework. Yes, the interests of our peoples now require economic integration and the conservation of direct economic ties, which have given a good account of themselves. But without diktat from anyone.

[PRAVDA] Is that not what has given rise to the fact that in January this year Uzbekistan acted as the initiator in creating a new community of Central Asian countries? Does that mean that your republic is more interested than its neighbors in such a community?

[Karimov] We are no less and no more interested than our other neighbors, whose leaders accepted my invitation and have come to Tashkent to discuss the most important issues. It is true that in terms of its geopolitical position Uzbekistan, as the heart of Central Asia bordering on virtually all states of the region is of course interested in coordinating efforts. In our country we say: "Koshning tinch—uzing tinch." Translated into Russian that means: If your neighbor is at peace then your house is also at peace." By virtue of its geopolitical position Uzbekistan and its population can feel what is happening in the new neighboring states. For instance, take the bloody civil war in Tajikistan in which tens of thousands of people were killed or lost their homes. Yet many of them had relations in Uzbekistan. Or the currency which has emerged unexpectedly in another neighboring republic [Kyrgyzstan]. An uncontrolled flow of Russian rubles, which were no longer being accepted in that republic, has poured into our border oblasts. And that has caused a drastic increase in prices at our bazaars. We have been obliged to take retaliatory steps. In my view the whole trouble is that in the CIS centrifugal forces are increasingly gathering momentum. Each person is saving himself. And the decisions that are being made remain on paper only.

[PRAVDA] You have frequently stated that you do not intend to travel the world with outstretched hand. Does that mean that the republic is refusing foreign aid and counting entirely on its own forces?

[Karimov] Yes, we are not roaming the world with outstretched hand, although we do not refuse aid if it is dictated by sincere, honest, mutually advantageous intentions. Figuratively speaking we are holding out a hand not for aid but for a handshake, for cooperation. Equitable and mutually advantageous cooperation. The Almighty has not denied our land industrious people or rich subterranean and agricultural resources. It is an open secret that Uzbekistan ranks third or fourth in the world in the production of cotton and is among the first dozen states in terms of the production of gold and other precious metals. The republic supplies its own needs for gas and products from its technological processing and exports them. In the long term we can not only supply our own needs for petroleum but also export it.

We are soberly aware that the consequences of the old, inefficient and ideologized economic system and of Uzbekistan's one-sided, hypertrophied development as a raw material tributary of the former center will have an effect for some time yet in the republic. Until now in virtually all sectors of the national economy the leading place was taken by production with imperfect technology. The links of production that produce finished marketable output are so far the weakest, although in recent years we have achieved something in this direction.

Unfortunately Uzbekistan does not yet have the necessary capacities and modern technologies to transform colossal raw material resources into finished output or set up that output's storage, processing, and sale. We reckon that if we are able to organize the processing of the raw material and semifinished materials available in the country then the GNP will double and the national income will approximately treble. That is the main avenue of our economic development.

Our known rich mineral and raw material stocks, our cadre potential and manpower resources are generating substantial interest in foreign companies, which are prepared to invest funds in their development on mutually advantageous terms. A number of joint ventures have already been created and are operating. World famous companies like Mercedes Benz, Siemens, DEU, and many others have already settled firmly and for a long time in the country.

The republic is attracting foreign investors not only by the wealth of its resources but also to no less a degree by the stability of the sociopolitical situation and the consistency of the economic reforms, by the substantial benefits and guarantees provided by legislation for foreign businessmen.

[PRAVDA] The arguments of those who accuse you personally of resurrecting totalitarianism include the lack of freedom of speech in the republic, the reprisals against the opposition, and the local press' massive attack on individual statements in former central publications. Can you refute those views?

[Karimov] To judge by the question you too have not gotten over the ambitions of the former "chief" newspapers. After all, such empty accusations and criticism with the ill-concealed desire to continue to teach people how to live are manifestations of inertia: Unless you think and do as I say, you are guilty. It sometimes prevents an objective analysis of the real situation in the new independent state. As a rule the biggest "generalizations" and "conclusions" are made sometimes without going outside the editorial office on social and paid instructions from particular forces. Sometimes with the ill-concealed desire to convert people to one's own "only true faith." I should like to emphasize the truth to which every people and every sovereign state has the right: To live by its own standards and laws. We have our own constitution, which has undergone the most exacting international examination and we shall live and work according to it.

[PRAVDA] You are sometimes called a supporter of strong power.

[Karimov] I am also called a dictator. There are also other "assessments." They are all on the conscience of those who make them for the benefit of their own political and other goals. I shall say one thing: I support the principle whereby the law, especially in such a complex transitional period, should rule everywhere and in everything. I shall not dwell on examples of the opposite nature. Everyone can see them. And another thing: I am prepared to pay any price for the sake of the stability and peace of the people who I am sure support me.

[PRAVDA] Islam Abduganiyevich, thank you for this talk. What would you wish PRAVDA readers today?

[Karimov] As far as I know because of the increase in prices and inflation only your most devoted readers now

subscribe to the newspaper. I wish them and my people good, peace, and prosperity. I very much hope that the hard times will soon pass. I am grateful to my fellow countrymen, irrespective of nationality, for their patience and faith in the future.

### Outlines Stance on Tajikistan

*PM0608090793 Moscow IZVESTIYA in Russian 6 Aug 93 First Edition p 2*

[Shakhabutdin Zaynutdinov report: "Situation on Tajik-Afghan Border: View From Uzbekistan"]

[Text] Tashkent—Uzbek President Islam Karimov has made public his viewpoint on how to resolve the complex knot of problems involved in the situation that has arisen on the Tajik-Afghan border.

In his view, there are now five main aspects to this problem. The first and main one is the fact that this conflict can never be resolved by strong-arm methods; the way of peace, the way of negotiations alone is what is needed here. As for the second aspect, it must be borne in mind that, as an independent state, Tajikistan, via its leadership, will invariably pursue an autonomous policy in the fundamental interests of its country and its people. The Tajik leadership is now persistently seeking a means of escaping from the great tragedy that has befallen the republic. All of us representatives of neighboring states, Islam Karimov believes, hope that the Tajik people rapidly begin to build a peaceful and prosperous life for themselves, and, supporting the Tajik leadership in its autonomous actions to rapidly establish peace and accord in its country, voice the hope that it will correctly perceive our individual opinions on certain issues to be recommendations.

In the Uzbek leader's opinion, if the question is considered from that viewpoint, it would be advisable when resolving this problem, which, he stressed once again, cannot be eradicated by strong-arm methods, for the Tajik side to enter into talks primarily with the Afghan leadership and, if necessary, with the leadership of Pakistan, Iran, and other neighboring states in the region. The need to exchange opinions with them on the most speedy stabilization of the situation is obvious.

The third aspect is this: It would be a good thing if the Tajik leadership were to enter into dialogue with healthy forces that are pondering their country's future and have chosen the path of building a democratic society in their state. Developing this idea, Islam Karimov continued: Each of the independent states on the territory of the former USSR is today reviewing its constitution and the legal foundations of its society and statehood and bringing them into line with progressive democratic principles. Drafting laws to formulate and introduce a system of democratic elections and implement them is a noble business in keeping with the requirements of the day.

The fourth aspect of the problem is the need to step up still further the formulation of laws in line with the requirements of our rapidly changing times. In I. Karimov's view, it is advisable to unite various political forces in building a new society and holding new democratic elections and to enlist a large proportion of the public in attaining these noble goals.

The Uzbek leader once again reaffirmed that he does not regard the Tajik-Afghan border as a border between two states but as a CIS border. The fifth aspect involved in resolving the problem is the fact that the countries which signed the Collective Security Treaty must help strengthen the border. However, when it is a question of stabilizing the situation each state must resolve this problem itself, relying above all on its own material, moral, political, and diplomatic forces. In this respect the Uzbek president expressed confidence that the people and leadership of Tajikistan are capable of resolving the problems that have arisen in a restrained and sensible manner, by peaceful, just means.

### Issues Decree on Hard Currency Duties

*LD0308133493 Tashkent UZBEKISTAN APN in Russian 1104 GMT 3 Aug 93*

[Text] [no dateline as received] A decree from President Islam Karimov has been published in Uzbekistan on the system for levying and distributing state non-tax payments in foreign currency. In accordance with the decree, 85 percent of duties, taxes, and other non-tax payments levied in foreign currency are to be paid into the account of the republican currency fund, and 15 percent into the accounts of special currency funds of ministries, state committees, departments, and agencies of economic management. The funds are to be used, at their discretion, for the strengthening of their material and technical bases, staff training, and official trip expenses.

### Bank Seeks To Finance Projects With German Credits

*LD3007174593 Moscow ECONOMIC NEWS AGENCY in Russian 1500 GMT 30 Jul 93*

[Text] The National Bank for Foreign Economic Activities of the Republic of Uzbekistan reports that, in connection with the conclusion of the appropriate agreement on opening credits from German banks under a guarantee of the "Hermes" state insurance agency of Germany, the bank is accepting for consideration currency-earning investment projects for financing. Conditions for financing include the following:

—no less than 80 percent of technology and equipment that will be supplied should be produced in Germany;

—credits should be granted to projects that are a priority for the socioeconomic development of Uzbekistan.

## Armenia

### Karabakh Cease-Fire Said Extended for Three Days

*NC0508181993 Yerevan Armenia's Radio First Program Network in Armenian 1700 GMT 5 Aug 93*

[Text] Nagorno-Karabakh Republic's [NKR] plenipotentiary representative in Armenia Manvel Sargisyan told NOYAN TAPAN news agency correspondent that the NKR and Azerbaijani representatives held telephone talks on 5 August and agreed to extend the cease-fire on the battlefront for another three days. Negotiations will continue during this period to bring about a high-level meeting between the NKR and Azerbaijani leaders.

According to Sargisyan, both sides are generally observing the cease-fire.

### NKR Leader's 'Commitment' To End Fighting Noted

*NC0508193093 Yerevan Armenia's Radio First Program Network in Armenian 1700 GMT 5 Aug 93*

[Text] NOYAN TAPAN news agency reported that Acting Chairman of Nagorno-Karabakh Republic [NKR] Supreme Soviet Karen Baburyan sent a letter to the UN Secretary General Butrus-Ghali in which it is specifically said:

I wish to reiterate the Nagorno-Karabakh leadership's commitment to efforts to finally end the military operations and peacefully resolve the existing military conflict between Azerbaijan and Nagorno-Karabakh.

The letter says: The NKR leadership has to note with regret that the UN Security Council Resolution 853 was adopted on the basis of incorrect and biased information.

Karen Baburyan added: It remains for us to hope that Resolution 853, in which a number of phrases proposed by the representatives of the Turkish Republic have been included, would not undermine the establishment of the recently-initiated direct bilateral relations between representatives of the Azerbaijani and NKR leadership. In this connection, I consider it necessary to appeal to you, Mr. Secretary General, with a request that you send a permanent UN representative to Nagorno-Karabakh so that he can familiarize himself with the situation on the spot and be in a position to provide unbiased information on the developments in the region to the Security Council based on reliable information gathered from personal observation.

The Nagorno-Karabakh leadership is convinced that the recognition by the international community of NKR's independence would speed up the political settlement of the military conflict in our region.

Karen Baburyan concluded by reiterating his commitment to the peaceful resolution of all the problems between the Azerbaijan and NKR republics with the active participation of those countries which maintain a constructive and neutral stance.

### Russian Defense Ministry Military Adviser Visits

*NC0508190993 Yerevan SNARK in English 1620 GMT 5 Aug 93*

[Text] Yerevan, August 5 (SNARK)—Russian Defence Ministry Military Adviser Colonel Ivanov visited Armenian Defence Ministry.

The adviser met officials of the internal department of Armenian Defence Ministry.

They talked about inter-ministerial relations and deployment of Russian troops in Armenia. There was noted that the Russian troops deployed in Armenia do not suffer any pressure from the local authorities nor population.

The Armenian side referred in favor to the idea of establishing an institution of military attache of Armenia in Russia and of Russia in Armenia.

The sides satisfactorily noted the complete understanding in all questions existing.

## Azerbaijan

### Government Seeks Immediate Withdrawal of Troops From Agdam

*LD0608114793 Moscow ITAR-TASS World Service in Russian 0855 GMT 6 Aug 93*

[By ITAR-TASS correspondent Viktor Shulman]

[Text] Baku, 6 Aug—In accordance with UN Security Council resolution 853, Azerbaijan insists upon the immediate, complete and unconditional withdrawal of occupying forces from Agdam and all other recently occupied areas of Azerbaijan. The CSCE Minsk group Nagorno-Karabakh will examine this matter when it meets in Rome on 9 August. Vafa Gulizade, Azerbaijan's state counsellor on foreign policy issues, told an ITAR-TASS correspondent this today, before flying to the Italian capital.

The delegation from Azerbaijan, which he is leading includes experts and diplomats and also a representative of the Azerbaijani community in Nagorno-Karabakh, Nizami Bakhmanov. According to the state counsellor a delegation from Armenia and representatives of the Armenian community in Nagorno-Karabakh have also been invited to the Rome meeting.

All parties [to the meeting] will also participate in a discussion of issues linked to fulfilling the updated schedule for carrying out UN Security Council resolution 822 on withdrawing all occupying forces from Azerbaijan's Kelbadzharskiy rayon. The Minsk group of nine CSCE member-countries met yesterday and drew

up the schedule. Vafa Gulizade believes that other aspects of settling the Armenia-Azerbaijan conflict may also be broached.

### Cease-Fire Being Observed Along Front Line

*NC0508161793 Baku ASSA-IRADA in English 0744 GMT 5 Aug 93*

[Text] Baku 05.08.93 (ASSA-IRADA)—Cease-fire agreement along the front line is observed a whole, ASSA-IRADA was told by the Azerbaijani MOD [Ministry of Defense]. The exceptions are Armenian firings at Gushchlu-Ayrym village of Kazakhskiy resulted in one combatant killed, and at Gulistan village of Geranboyskiy [Shaumyanouskiy] launched at 10.00 p.m. yesterday and ended at dead night.

### Baku Updates Situation, Reports Fighting 4-5 Aug

*NC0508195493 Baku Radio Baku Network in Azeri 1700 GMT 5 Aug 93*

[Text] The situation in the front lines remained unchanged yesterday and last night. The Armenian Armed Forces have continued to fire on our positions along the (Kazakhskiy) Rayon [words indistinct]. Meanwhile, the tension around Gulistan in Gorenboyskiy Rayon has significantly worsened. The fighting that began in that area continued for five hours.

The exchange of firepower in the [word indistinct] part of the battlefronts resumed on 5 August. Fizulinskiy Rayon and [words indistinct] were fired on from [two place-names indistinct] and Askeran.

### Baku Supports CSCE-Sponsored Coordinating Commission

*NC0508174093 Baku AZERTAC in English 1549 GMT 5 Aug 93*

[Text] Baku, August, 5 (AZERINFORM)—Azerbaijan supports establishment of a mutual co-ordinating commission sponsored by the CSCE. Azerbaijan hopes that Armenia, Azerbaijan, as well as Armenian and Azerbaijani communities of Nagorno-Karabakh will be equally represented in the commission. This question is on the agenda at the CSCE Minsk groups meeting which is going to open in Rome today.

Today the AZERTAC was informed by one of the Foreign Ministry officials, who insisted on keeping his name in secret, about the stance of Azerbaijan on peaceful resolution of the conflict between Armenia and Azerbaijan. This official, in an exclusive interview given to the AZERTAC, said that such a commission will allow observers to watch processes going on in the zone of the conflict. According to him, the Foreign Ministry of Azerbaijan is confirmed that "if all parties join their efforts they will take a step on the road to constructive dialogue on cease-fire, withdrawal of troops of the parties involved".

He stressed that direct relationships are necessary for settlement of humanitarian problems such as exchange of hostages, relief of refugees fate. He also said that these questions were touched on at the meeting with representatives of the Armenian community of Nagorno-Karabakh. The meeting made a decision to continue the cease-fire. The foreign ministry of Azerbaijan considers the 'small groups' meeting a purely technical as well as a kind of a future co-ordinating commission prototype. It was pointed out that Russia supports establishment of this commission.

### Baku To Sign Agreement on National Security With Russia

*NC0508173893 Baku TURAN in English 1530 GMT 5 Aug 93*

["Russia and Azerbaijan Will Sign an Agreement in the Field of National Security"—TURAN headline]

[Text] Baku (August 5) (TURAN)—Russia and Azerbaijan will sign an agreement on cooperation in the field of national security in the nearest future, Minister of National Security Nariman Imranov told in his todays interview to "Azerbaijan" newspaper. To ministers words, the aim of this agreement is to strengthen mutual confidence and to ensure territorial integrity of two states. N. Imranov also noted, such agreements would be concluded with the Ukraine, Georgia and other neighbouring with Azerbaijan states in the coming future.

Touching upon the relations with Turkey and Iran, minister told, that Azerbaijan aimed at establishing friendship relations with those countries and it had common aims in the struggle against terrorism, contrabandists and narcotism.

Speaking of training national personnel for MNS, [Ministry of National Security], Imranov told, at present, Azeri students had studied in corresponding high schools of Moscow and Almaty. Along with this, Azerbaijan has special school training specialists in national security, degree of which is have to be raised up to the degree of high educational establishment. According to ministers words, Azerbaijan will continue its cooperation with another countries of CIS in the field of training personel for special services.

### National Independence Party Opposes Referendum

*NC0508164993 Baku ASSA-IRADA in English 1102 GMT 5 Aug 93*

["Azerbaijan National Independence Party [ANIP] Against the Referendum on Confidence to the President"—ASSA-IRADA headline]

[Text] Baku 05.05.93 (ASSA-IRADA)—It is impossible to hold referendum under the current circumstances when some areas of Azerbaijan are occupied and others are under the threat of being seized, when there are about

a million of refugees in the Republic and finally when the state of emergency is in effect believes the ANIP leader Etibar Mamedov. According to his press secretary, the alternative way is to set up the state council with all the key political forces of the Republic involved. The ANIP thinks this is the only avenue to national concord stabilization, then a legitimate, state body should be created. The issue of creation of the state council is to be discussed at the meeting of the ANIP Central Council, August 7. The convocation of the party extraordinary congress will be on the agenda too. The congress is to amend the Charter and the program of the party and summarize the results of its one-year activities.

### Cabinet Holds Extended Sitting in Lenkoran

*NC0508162693 Baku ASSA-IRADA in English 0744 GMT 5 Aug 93*

[Text] Baku 05.08.93 (ASSA-IRADA)—Cabinet held extended guest-sitting in Lenkoran. It was attended by Republican Prime Minister Surat Guseynov, the heads of the key ministries, offices, companies and the chiefs of seven district in southern region of Azerbaijan. The sitting focused on the problems of the region, i.e.: unemployment growth, lack of power and gas supplies, suspension of projects of social importance and motor ways, ill communications, agricultural problems, grievous situation at the Caspian flooded areas, etc. The prime minister remarked each region of the Republic has particular problems and the leadership is going to hold similar sittings in other regions as well and would take measures to resolve them. As to the issue on Talysh-Mugan Republics, S. Guseynov regretted Alikram Gumbatov, who bravely fought against the Armenian aggressor side by side with him speaking of some false republic which is to break up the united people. We are all the children of one and the same people and land. The ad hoc commission with vice premier in chair was set up as a result of the sitting.

### Party Statement Urges Referendum on Economic Union

*MK0508110493 Moscow NEZAVISIMAYA GAZETA in Russian 5 Aug 93 p 1*

[Statement by the Executive Committee of the Labor Party and the Civic Congress of Ukraine headlined "Economic Union: A Chance to Survive"—under the "Document" rubric]

[Text] Ukraine is going through tragic days in its history. Plucked out of a single economic organism, the republic has found itself in dire straits. The Belovezhskoye Treaty has not made the life of the three peoples any better. It is bad for everybody—the Belarusians, Russians, and Ukrainians. We have the same disease, and the cure should be the same—a harmonized, deliberate, realistic policy.

In our view, it should first and foremost provide for urgent measures in the area of economic integration covering the spheres of production, investment, foreign trade, as well as monetary credit, financial, currency, and social relations. Citizens should have the possibility to own property, move about, live, and work on the territory of any of the states joining an economic union. This is the only chance to survive, stabilize the economy, and ease social tensions inside the sovereign states.

For these reasons, we have unequivocally spoken in support of the statement by the governments of the Republic of Belarus, the Russian Federation, and Ukraine on urgent measures to extend the economic integration. At the same time, we noted that the integration processes should include Kazakhstan and the other Central Asian republics that comprised the Union before. No standoff should be allowed in economic matters on ethnic or other grounds. The impression is that Kazakhstan, which was one of the first advocates of the integration, is being deliberately provoked into separating from the other republics of the former USSR, as the nature of its relationship with countries of the Islamic world is being misrepresented.

We realize that the idea of creating within the borders of the former Soviet Union a Eurasian common market has both its supporters and also very influential opponents. It is perhaps no accident that every move toward bringing our states closer together is followed by a political action wiping out its positive effect. This was the case this time around. That this is so is seen from the developments stemming from the passage by the Russian Supreme Soviet of the decision on the status of Sevastopol and the sudden recall of the old paper money.

A good many declarations were made in 1992 and 1993 on the need to expand the integration processes. All of them—like, for example, the treaty signed by CIS heads of state on 14 May 1993—remain on paper, however. If we are to have the latter document implemented, a way should be found to neutralize those who oppose the establishment of friendly relations between the republics of the former USSR. We therefore propose the inclusion on the ballot papers for the coming referendum in Ukraine of a question on the signing between Belarus, Kazakhstan, Russia, and Ukraine of an economic treaty. Let the people have their say.

[Signed] M.Ya. Azarov (Party of Labor Executive Committee); A.F. Bazilyuk (Civic Union of Ukraine)

[Dated] Donetsk, 2 August 1993

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A similar statement was also issued on Tuesday by the Council of the Kharkov Oblast Trade Unions Association. The document was sent to the head of the Ukrainian parliament, Mr. Plyushch, in connection with the scheduled meeting of CIS heads of state in Yerevan, and the coming referendum in Ukraine in October.

### Abbasov Describes Principles of Presidential Press Service

*NC0508205193 Baku Radio Baku Network in Azeri 1900 GMT 4 Aug 93*

[Text] Tofik Abbasov, acting head of the presidential press service, held a briefing for the representatives of the Republic's mass media today. Describing the main principles of the presidential press service in detail, Abbasov said that the service will broaden the scope of its work by establishing branches in various parts of the Republic and by exchanging information with all the rayons. Abbasov asserted: Special attention will be focused on the work to improve relations with all the representatives of the media. Our main task is to provide operative and correct information to the international community on developments in Azerbaijan, maintain the struggle to break the blockade against information from Azerbaijan, and create an objective idea in the world community of the present situation in the Republic.

According to Abbasov, the effort to achieve that objective has been impeded more by the absence of the necessary number of experienced workers and the inactivity of several media organs from time to time than by the blockade on information from Azerbaijan. Abbasov described matters related to Armenia's continuing aggression, the problems of refugees, and the developments in the Republic's social and economic fields as the main issues of the day.

Tofik Abbasov answered journalists' questions at the end of his briefing.

## Georgia

### Shevardnadze Addresses Parliament Session 5 Aug

*LD0508210793 Tbilisi First Program Television Network in Georgian 1600 GMT 5 Aug 93*

[Address by head of state Eduard Shevardnadze to 5 August parliament session in Tbilisi—recorded]

[Text] I will try to convey my idea briefly. If we had worked as stipulated by the law, we would have nothing to argue about now. In case the budget is not approved for the second time, I will remind you, although you know it well, the Cabinet of Ministers has a right to introduce corrections in a week's time and then submit it. The results that will possibly follow have already been mentioned here. If the parliament does not approve it, an issue of nonconfidence in the government will be put forward. The complications are caused by the fact that the cabinet of ministers did not use this right of theirs. I consider it a rather hasty decision, and I think it is a sort of expression of anger toward the part of the parliament who shows nonconfidence in the government. I think that tonight, the whole staff of the Cabinet of Ministers should get together, weigh everything carefully, I mean the situation in the Cabinet of Ministers, in the country, in the parliament, and tomorrow submit their final idea to the parliament which could also meet tomorrow afternoon. Or the cabinet may make use of the right of one week and introduce corrections because it is impossible to make a budget better or worse, not only in a week's time but even in a year's time. If they use this right it is their business. But if they do not, then I think they will have to come to the parliament session tomorrow having thought and considered everything seriously.

Why was this parliament session called? Any session until the holidays finish would be extraordinary. Whether it is good or not without a budget, and this is a bad budget, or rather, you can hardly call it a budget because it is simply an order of figures, you need it anyway. I could see it, I can see it now and the sooner we manage to start this even worthless budget, the better.

That is why I asked corresponding authorities in the parliament to appoint this present session. Nothing is blamable in it. We had to finish the discussions on this issue even earlier. I think some people, I am not going to mention names, you can guess who I mean, some people find in the action of another person the same as what they themselves are thinking and are planning.

I consider it an insult to the parliament and all of who are taking part in today's discussion when this is called a fight for power. It is a shame to speak like that.

I will tell you how the events will develop. I do not want anyone to think that the state, and the head of state in particular, does not know who and in what way they intend to carry out a fight for power, not in cellars or somewhere behind the scenes but seriously. This information is, naturally, being gathered and I can see that another fight has begun in Georgia, not in the parliament, but at another place. They are not concealing it. They are deciding who should resign and what kind of government should be formed. Incidentally, this work is not always conducted in a legal and orderly way. I reiterate that I do not mean the parliament.

The fight, that has begun in Georgia, can become the beginning of the civil war, the beginning of the gravest civil war. This should be apprehended by everyone. I also know that behind those forces, which are considered destructive, there are politicians. The time will come and everything will get its name. The country is in such a condition that we need just an opportunity to breath, to give society just a little favor by at least stopping the war. History will tell how acceptable the cease-fire is. There are people who have said that they are not going to evade the responsibility, but this war will not end because there are forces who are trying to wreck this armistice only for the purpose of opening a way to fighting for power and nothing else. I do not mean the parliament.

I will tell this truth. I am telling this truth. Georgia, the Georgian state is exposed to danger, a grave danger. Its existence is questioned today. I know what tomorrow will look like. Not only economically but politically as

well. We will have complete chaos and complete anarchy. Taking account of this, you remember I suggested that the parliament meet tomorrow afternoon, the parliament should discuss not only the answer the cabinet of ministers will present tomorrow but also, as Mr. Tengiz Kitovani said, the issue of confidence in the bosses, i.e. confidence in the head of state, too.

I do not think that there is anyone in the Cabinet of Ministers or the head of state, and the parliament chairman is a person who will grasp anything in order to fight for power and get some pleasure and understanding.

It is hard for me to say what step will follow if I declare my resignation today. If the parliament makes this decision, remember that I will become an ordinary consultant to anyone who will be the head of state and chairman of the parliament. I will work 18 hours a day as I do at present in the same staunch and selfless way. Nobody will doubt this.

Every one of us should stay up tonight thinking, think tomorrow morning, come to the parliament session and make the decision that is required for the country.

I believe that the country must turn to an emergency regime of work [mimachnia rom kvekana unda sagangebo rezhimze]. What this emergency regime will be like, I will probably tell you in a couple of days. I do not mean only forceful ministries and institutions. I mean all plants, factories, all private structures, every citizen. Either we will have order and the state will look like a state, or the parliament will be dispersed, the government will be dispersed and the head of state will go his own way. There is no other way.

Therefore, the only way, be it good or bad, is the centralization of the power, strengthening of the power of those in whom you will express confidence, be it the head of state, the prime minister of the cabinet of ministers, or anyone else. Whoever the head of state is, his word must be law for the bodies subordinate to him. If someone does not obey and does not carry out [the orders], he not only leaves the job. Anarchy should be eliminated in all spheres.

This [emergency regime] can be for two months, for three months, or it can continue for half a year, but time is needed to make the country look like a country. I would not be able to say this until the cease-fire.

A tendency is observed that this cease-fire can become a herald of the armistice, the beginning of the armistice. I believe it will be. Someone has said here that foreign observers will arrive in a week's time. Peacekeeping forces [will arrive] after a definite time. It means that there is a hope that the war will end. I have a right to put it like this: It is now that we need to live and work in an emergency order. It is now that we need a special system of distribution. You and the citizens know it better than I do that even half of what we receive does not reach its destination. Even soldiers, and I have lived with them and I know all this, do not get even 20 percent of what they should get. What can you say about the state that snatches a piece of bread from a Sukhumi citizen who has suffered so much.

Every law, that exists in connection with the emergency situation, should work. We have to create some other things that have not been included in the law if we want to help the situation. But I do not only mean distribution. You can distribute what you possess. Today, thanks to our friends and partners, we have a minimum of what can prevent the people from dying of hunger. I have to reprimand the Cabinet of Ministers: I have not heard a sound idea, a rational proposition. How can we revive the economy? We say a lot about being short of energy sources. We may find ourselves even in a worse situation but we have been receiving gas, we have had electric power, we have had other fuel for six or seven months.

Chiatura [deposits and mines of manganese] is not working, the Zestaponi ferro-alloy plant has practically stopped, Rustavi [metallurgical works] is working at half of its capacity, the Madneuli factory [copper mining and processing] is not working as well as Tkibuli enterprise [coal mining] and other industries and enterprises which must be a source of currency income.

How can a country like this, a country of such potential as Georgia has, from the point of view of industry and agriculture, fail to gather 100,000 U.S. dollars during a year? If we had this sum, we would be able to pay for that gas. This can be seen neither in your budget nor in the discussion on the budget. It can be heard neither in the report by the prime minister nor in the speeches by ministers. Do not be angry at this, friends. I mentioned this during the first round of the discussion. There can be no abstract budget. You cannot simply operate with figures. The parliament is upset because sheer papers have been presented. There is no hope, we cannot see a hope that could cope with the job we have commitments for. We suffer so much today and there are no prospects for tomorrow.

I beg your pardon, no offense meant to Batono Tengiz [refers to Prime Minister Tengiz Sigua], but you still say that we should pick 150,000 tonnes of tea. When 150,000 or 200,000 tonnes are picked, where will they go? Who will take care of it? We know that the state cannot afford to handle even 15,000 tonnes, actually. It goes through completely different ways. The same with wine. The same with other, as we call them, strategic resources of the country.

That is why I say: An emergency regime is needed, an emergency regime in every plant, every factory, and private structures. We will step aside in something. We will shut our eyes at something. But we must establish order. If we do not like this, if we do not work like this, if we do not act like this, the country is doomed to ruin. I am not going to say all that I have to say about the emergency regime just at the parliament. I will address Georgia and all the citizens. And I am confident that

even those who, as it is said here, are controlled by someone else rather than the state, and even those who control them, will support this. Because starvation is the same for everyone. We have to realize the danger of starvation. The famine is at our doorway, and many already starve.

I would like to ask the cabinet of ministers to reason like this. I am determined to exercise my right, but will it be correct if I as the head of state, who has the right to dismiss this or that official for various reasons and so on, if I make the decision to dismiss the prime minister, the deputy prime ministers, or 15 or 27 ministers from their posts? Will this be correct? This must be a subject for discussion, for reasoning, a subject of serious reasoning. In this collective itself, there are magnificent public figures. I cannot say that if we speak about a new cabinet we will be able to discover men of genius. It cannot happen. These people must be among us. There are magnificent public figures here who are capable of doing the job if we have the regime and the requisition I have just spoken about. And nothing else.

Today there is a tremendous responsibility on any of us sitting here, and probably those who are absent, to put aside everything personal. I believe that working in the state structure, working in the post of minister, prime minister, deputy prime minister, or head of state, is a punishment if one thinks more about his personal interests. If you are a man, and a man of conscience, and you serve your country, it is a great punishment. I do not think there will be a big competition and many applicants to this or that post. But this is how it must be today. We need soldiers in the state, in the leadership of the state. And I think it will be like that. I am sure the cabinet of ministers chaired by Tengiz Sigua will get together tonight. They will reason and come tomorrow with a definite conclusion. We should not reduce it to the idea that someone expects a post and that is why all this is happening. That is not the fact. I cannot see it like that. Even in the speeches by those who demand that the head of state should bear the responsibility. I am ready to answer. If you want, I can go to the procurator's office. We should start to investigate where we made a mistake, what offense we committed. I have no anger, nothing of that kind toward these people, because we have to seek a way out. Some think that the way out is when the head of state is answerable for everything; some assign pretense to the prime minister, and some against other ministers and the cabinet of ministers on the whole. Do not be surprised. I have said thousands of times that we are a reflection of what is happening in the society.

Do you think that a good life made us stop state subsidies to writers, magazines, newspapers. I know what will start tomorrow among the intelligentsia: they will boil. I thought Mr. Lordkipanidze would speak about it. But we are forced to do that. Do you think that the prime minister does not know what weight the writers and intelligentsia have in society? But we are in difficulty. We are in extreme difficulty. We have to look for the way out. I am sure that Georgia is such a country—and so many friends have appeared, sometimes even when we did not expect them—that we will survive anyway. If we control ourselves, if we control our own feelings, we will survive. Everything depends on this alone. I would like to suggest that we gather tomorrow at 4 o'clock and make a decision that must be made by the highest body of power at such a time and in such a situation. Thank you.

### Shevardnadze Defuses Crisis in Parliament

*LD0508185793 Moscow ITAR-TASS World Service in Russian 1803 GMT 5 Aug 93*

[By ITAR-TASS correspondent Albert Kochetkov]

[Text] Tbilisi, 5 August—The Georgian Cabinet of Ministers reacted today in a most unexpected manner to the parliament's proposal that it should submit a bill on the state budget for approval by the deputies in a week's time. Justice Minister Konstantine Kemulariya declared on behalf of the government that the executive power refuses to introduce any corrections in the bill, which has already been voted down twice. Local observers have described this unprecedented step by the government as a stalemate situation which, in their opinion, will result in the diffusion of power, anarchy, and chaos.

The atmosphere was defused by Eduard Shevardnadze, who called upon both sides to behave in a well-balanced way. Eduard Shevardnadze said the centralization of power and the introduction of an emergency regime [chrezvychaynyy rezhim] in all spheres of life in the state are prerequisites for overcoming the crisis. This statement was interpreted by many as a sign of his intention and readiness to once again show political courage and undertake full responsibility for the destiny of his country.

It was decided that the Georgian parliament will continue the debates tomorrow, 6 August, at 1600 local time.

### Shevardnadze Meets Russian Envoys on Abkhaz Conflict

*LD0508201393 Moscow ITAR-TASS in English 2003 GMT 5 Aug 93*

[Text] Tbilisi August 5 TASS—Georgian leader Eduard Shevardnadze met with Russian presidential envoy Boris Pastukhov, head of the Russian Committee for Emergency Situations Sergey Shoygu and Tatyana Regent, head of the Russian Federal Migration Service, on Thursday.

They flew to Tbilisi to inform Shevardnadze about the activity of the Russian section of the Joint Commission for Abkhazian Settlement and Development of Direct Contacts to ensure the implementation of the ceasefire agreement.

The sides discussed ways to stop the war and possible involvement of the United Nations and the Conference

on Security and Cooperation in Europe in settling the conflict in Abkhazia. They called for an immediate deployment of U.N. observers in the zone of the conflict.

### Cease-Fire in Sukhumi Holding 6 Aug

*LD0608091793 Tbilisi Radio Tbilisi Network in Georgian 0400 GMT 6 Aug 93*

[Text] We received word from Sukhumi this morning that everything is completely quiet there and that the cease-fire agreement has not been breached, although the Abkhaz side attempted this near the village of Tsugurovka. Our information came to us from a Mr. Gocha Ablotia, head of the Sukhumi press center of the Georgian armed forces.

### Three Killed in Mkhedrioni Scuffle in Tbilisi

*LD0508154793 Moscow Mayak Radio Network in Russian 1447 GMT 5 Aug 93*

[Report by IPRINDA correspondent Zurab Dvali from Tbilisi; from the Mayak "Panorama" program]

[Excerpt] [passage omitted] It was relatively quiet in Abkhazia today. There were no changes in position. However, in the center of Tbilisi today there was a serious armed incident involving members of the Krtsanisi police station and members of armed Mkhedrioni units. An IPRINDA correspondent has learned from the rayon police station near which the tragedy took place, that firing started after the police tried to restrain several of the Mkhedrioni who, to put it mildly, were behaving illegally toward market traders. As a result, three people were killed. One was a policeman and the others were Mkhedrioni members

Three of the attackers were arrested on the spot, and their firearms confiscated. Taking into account what has happened in previous conflict situations involving the above-mentioned armed formations, which have recently acquired the status of rescue corps, this time the police increased the number of police around the rayon police station building.

According to provisional information, at least, according to what the detained men had to say, they had recently been taking part in military actions in Abkhazia. This is the second major armed incident this week initiated by servicemen who had returned from Abkhazia. Clearly, the Abkhaz syndrome—so-called because of its parallel with Vietnam—which Defense Minister Georgiy Karkarashvili has been warning against, has now become a reality.

### Abkhazia Reports Shooting in Shroma, Katsekhabla

*LD0608094693 Moscow ITAR-TASS in English 0910 GMT 6 Aug 93*

[By ITAR-TASS correspondent Roman Zadunaiskiy]

[Text] Moscow August 6 TASS—Although the ceasefire holds along the Gumista River front in Abkhazia on the whole, shootouts and attempts to capture height 920 near the village Shroma were reported.

On Friday morning, Georgian forces fired tank guns and grenade- launchers at Abkhazian positions, the press centre of the Abkhazian parliament told ITAR-TASS, citing the republic's Defence Ministry.

According to the same sources, Georgians fired big-caliber machine-guns at the village of Katsekhabla and tank guns at the village of Lavra late on August 5.

### Abkhazia Protests Georgian Troop Reinforcement Plans

*LD0608100693 Moscow ITAR-TASS in English 0946 GMT 6 Aug 93*

[By ITAR-TASS correspondent Roman Zadunaiskiy]

[Text] Moscow August 6 TASS—The leader of the Abkhaz group within the joint commission monitoring ceasefire in Abkhazia, Nodar Hashba, has protested against the Georgian leader Eduard Shevardnadze's decision to send reinforcements to Georgian troops in Abkhazia.

Shevardnadze announced his decision at a parliament session in Tbilisi on Thursday, August 5.

Nodar Hashba said the Shevardnadze decision was at variance with the ceasefire agreement signed by Georgia, Abkhazia and Russia in Sochi on July 27, 1993, particularly the article which "forbids the introduction of additional troops and other armed formations in the armed conflict zone".

According to Hashba, the decision of the Georgian leader is aimed at disrupting the implementation of accords and can aggravate the situation in the zone of armed conflict between Georgia and Abkhazia.

### North Caucasian Troops To Leave With Georgians

*LD0508161193 Tbilisi IBERIA NEWS AGENCY in Georgian 1435 GMT 5 Aug 93*

[Text] Sukhumi, 5 Aug—According to a report by an IBERIA correspondent, on 4 August Gudauta radio broadcast an interview with Amin Khozrielovich Zekhov, chief of staff of the troops of the Caucasian peoples' confederation.

Zekhov said troops of the Caucasian peoples' confederation will leave Abkhaz territory according to the ceasefire agreement within 10-15 days, provided the Georgian side also withdraws its troops.

Zekhov also said units from North and South Ossetia have already left the conflict zone. The armed forces command do not possess an accurate schedule of the

troops withdrawal, but formations and separate armed units will gradually leave Abkhaz territory as soon as they are ready.

In conclusion, Zekhov said politicians prevented Abkhazian troops from capturing Sukhumi. The city was almost in their hands. Some of the soldiers will go to Sukhumi to get fresh water.

### Prime Minister Labels Economic Situation 'Crisis'

*NC0508182693 Yerevan SNARK in English 1348 GMT 5 Aug 93*

[Text] Tbilisi, August 5 (SNARK)—Today at the extraordinary session of the Georgian parliament which was devoted to the economic situation existing in Georgia the Georgian Prime Minister Tengiz Sigua characterizes the economic situation as crisis. As an example he mentioned that the metallurgy as a basic field of the industry works for 25 per cent, chemicals-for 25-28 per cent. No way out for Georgia but credits.

Private sector has brought very small income for Georgia. There are about 200 joint ventures on the territory of Georgia, but only 10 per cent of them works, among them only 4-5 per cent of joint ventures are producing goods.

As for the citric which one of the sources for the Georgian goods, Sigua is of the opinion that Russia made exchange: 20 kg of tangerines for oil products. Now a ton of oil products costs 800 kg of tangerines.

### New Deputy Internal Affairs Minister Appointed

*LD0608120193 Tbilisi Radio Tbilisi Network in Georgian 0200 GMT 6 Aug 93*

[Text] Following the order from the head of the Georgian state, Eduard Shevardnadze, Teimuraz Gergaia has been appointed the deputy minister of internal affairs of the Republic of Georgia and head of the Khobi [west Georgia] regional department of the Ministry of Internal Affairs of Georgia, retaining temporarily his post of Khobi administrator. Autoprocessing Division

## Estonia

### President Accepts Defense Minister's Resignation

*WS0608085693 Tallinn ETA NEWS RELEASE in English 1954 GMT 5 Aug 93*

[Text] Tallinn, August 5—Estonia's President Lennart Meri on Thursday [5 August] accepted the resignation of the Minister of Defence, Hain Rebas, left with Prime Minister Mart Laar's office on Tuesday, the President's press office informed ETA.

### Commander on Rebas Resignation, 'Armed Revolt'

*LD0508155293 Tallinn Radio Tallinn Network in Estonian 0900 GMT 5 Aug 93*

[Excerpts] In an interview with the BALTIC NEWS SERVICE, Asso Kommer, commander of the light infantry company, has said that the resignation of Defense Minister Hain Rebas will not resolve the problem because the conflicts for the light infantry company stem from the general staff of the defense forces.

Commenting on Hain Rebas' claim on Swedish Radio that an armed revolt against the lawful government is being prepared in Estonia, Asso Kommer said that Rebas is not really mistaken. In Kommer's opinion, his military unit had been sent to Paldiski with the aim of provoking an armed conflict. It was a design to send the light infantry company onto territory where Russian servicemen, who still viewed it as their own area, were stationed. The decision to send the company to Paldiski was made at a time when it was clear that no conflict would arise in northeast Estonia. [passage omitted]

Andi Meister, minister of roads and communications and chairman of the government commission [dealing with defense matters], visited the company of light infantrymen at Pullapaa yesterday. According to the company commander, Meister acquainted himself with the situation but for the time being said nothing about any possible decisions by the commission. The first session of the commission, which will study the activity of the defense forces and the light infantry company, is scheduled for today.

Answering the BALTIC NEWS SERVICE's question about the situation at Pullapaa, the commander of the light infantry company said it is normal and calm.

### Government Drafting Bills To Implement Aliens Law

*WS0608085993 Tallinn ETA NEWS RELEASE in English 1954 GMT 5 Aug 93*

[Text] Tallinn, August 5—Prime Minister Mart Laar's legal advisor Aino Lepik told ETA she was currently involved in drafting three bills to implement the Aliens Law passed by the parliament on July 8 and ratified by Estonia's President, Lennart Meri, on July 12.

The first bill regulates the order of issuing work and residence permits to aliens, the second - the order of counting Russian military personnel staying in Estonia, and the third - issuing aliens' passports, also known as Nansen's passports.

The bills will be ready to be presented to the parliament in a few weeks.

The proposed law on aliens caused a considerable confusion among the country's Russian-speaking population as it stipulated that all those who did not want to apply for the Estonian citizenship can only temporarily stay in the country. The Russophones, majority of whom have come into Estonia during the Soviet occupation, feared that there would be a forced deportation of those unwilling to become Estonian citizens. The city council in the north-east Estonian Russian-dominated industrial city of Narva called a referendum on territorial autonomy in response to the law, which they saw as discriminatory against Russians living in Estonia. Although the referendum was ruled unconstitutional by the Chancellor of Justice as it infringed on the constitution's principle of the country's territorial integrity, it was still carried out by the leaders of the city council, who maintain that in the referendum on July 16- 17 the majority of Narovians voted for the autonomy within the Republic of Estonia.

Estonian President Lennart Meri decided not to ratify the law in its draft form but sent it to be considered by the Council of Europe's experts, who pointed out to a number of passages in the law that allowed several interpretations. The amended law on aliens was promulgated by the President on July 12.

### Hard Currency Figures Show Increase in Gold Reserves

*LD0608105793 Tallinn Radio Tallinn Network in Estonian 0615 GMT 6 Aug 93*

[Text] The increase in hard currency and gold reserves in Estonia was the highest in July, since the Estonian kroon was introduced in June of last year. In July hard currency and gold reserves increased by 425 million kroons, which is about 31 million dollars. The biggest previous increase had occurred last October, with 416.1 million kroons. The reserves amount now to 4.144 billion kroons in total, which is about 303 million dollars. Since the currency reform [June 1992] reserves have increased by nearly 3 billion [word indistinct]. In July, nearly 137.1 million kroons entered into circulation. Currently there are 2.110 billion kroons in circulation.

### Estonian Legal Citizens' Association Formed

*WS0608085793 Tallinn ETA NEWS RELEASE in English 1849 GMT 5 Aug 93*

[Text] Tallinn, August 5—A new party, the Estonian Legal Citizens' Association, was founded on August 3 in

the Central Estonian small town of Turi. The founding meeting elected the party's board and chairman and adopted its statute.

Vice-chairman of the Legal Citizens' Association Allan-Frits Suurkask said the party will mainly represent the interests of those 70,000 people who expressed their being Estonian citizens on the basis of legal continuity of the Republic of Estonia by applying for the identity cards that were issued in 1991.

## Latvia

### Cabinet Discusses Budget Deficit

*LD0408163993 Moscow ECONOMIC NEWS AGENCY in Russian 1500 GMT 4 Aug 93*

[Text] [no dateline as received] The first sitting of the new Latvian Cabinet of Ministers has been held. Replenishing the state treasury was the focus of attention.

The new cabinet has inherited a poor legacy. In the first six months of the year the revenue part of the state budget has been 86 percent fulfilled. By yearend the budget deficit threatens to exceed 55 million lats ($85 million). At the same time it is necessary to find money to buy the grain of the new crop and to increase pensions.

In order to reduce the budget deficit at least to some extent, the government has decided to make considerable changes in the taxation system. The Finance Ministry proposed that the turnover tax should be increased, excise duty should be imposed, and payment should be introduced for using state capital and reducing the profits tax.

The sitting adopted a decision to allocate $3 million from the credit of the Group-24 countries to purchase the crop.

The sitting approved a new composition of the delegation at the talks with Russia. It will be led by Martins Virsis, a parliamentary secretary at the Latvian Foreign Ministry.

### New Internal Affairs Minister Holds News Conference

*LD0408183493 Riga Radio Riga Network in Latvian 1700 GMT 4 Aug 93*

[Text] Girts Kristovskis, the new Latvian minister of internal affairs, held a news conference today and told journalists that in his new post he will try to implement the basic principles worked out by the Latvian Way faction's working group in the Saeima on internal policy, and to provide the working arrangements for the state. Kristovskis explained that within these principles are incorporated structural changes at the ministry itself, the practical realization of several law already adopted, and those still to be examined as bills by the Saeima.

During the news conference Kristovskis expressed his intention of cooperating with the Home Guard, trying to increase the legal and professional preparedness of the Home Guard. In Kristovskis' view, in future the Home Guard ought to fulfil the functions of the police in law and order. The Minister did not reply specifically to the question of a possible change of allegiance of the Home Guard. However, he did acknowledge that normative statements are necessary that would strictly lay down the rights and duties of each of the structural units in the national armed forces.

The minister also informed journalists that Linards Mucins, a former deputy of the Latvian Supreme Council, has been appointed parliamentary secretary to the ministry.

### Foreign Minister Receives New Korean Ambassador

*WS0608111293 Riga LETA in English 1155 GMT 5 Aug 93*

[Text] Riga, August 5 (LETA)—Wednesday [4 August] the Foreign Minister of Latvia Georgs Andrejevs received the new ambassador of Korea to Latvia Yi Sok-chae.

During the talk the fact of considerable passiveness on the part of Latvia in the two countries cooperation has been established. Obviously the main reason is the great distance separating Latvia and Korea. The new stage of the relations started in 1993 with the participation of the representatives of the commerce and industry chamber in the world exhibition Expo-93, in the Republic of Korea. On September 23 the Baltic day is to be held at the exhibition where the Foreign Minister of Latvia Georgs Andrejevs is invited to take part. At the talk the possibilities were discussed for the Latvian specialists to pass advanced studies in Korea. This is being gradually put into effect already.

### Coast Guard Detains Estonian Fishing Boat

*WS0608092393 Tallinn BNS in English 1615 GMT 5 Aug 93*

[Text] Riga, Aug 05, BNS—The Latvian coast guard detained an Estonian fishing boat in the Irbe Strait Wednesday [4 August] for sailing without a Latvian license, said Janis Adamsons, deputy commander of the Latvian Navy.

The boat was registered at the Nasva port, on the island of Saarema. The ship moved along Latvian territorial waters without a Latvian flag, and its crew included an unregistered person.

The crew was fined 10 lats for violating fishing regulations. Its catch, two tons of plaice, was confiscated.

Adamsons says similar events are quite regular. Both Latvian and Estonian ships are practicing unlawful fishing in each others waters.

## Lithuania

### Butkevicius News Conference Views Russian Troop Withdrawal

*LD0408140493 Vilnius Radio Vilnius Network in Lithuanian 0700 GMT 4 Aug 93*

[News conference by National Defense Minister Audrius Butkevicius and Chief of Staff Stasys Knezys with foreign and domestic correspondents at the Seimas Palace in Vilnius, moderated by Vilius Kavaliauskas, Seimas representative for the press—live]

[Excerpts] [Kavaliauskas] [Words indistinct] to make a report on how this process is proceeding.

[Butkevicius] Esteemed colleagues: In line with our promise to report every month about the pullout of the Russian troops from Lithuania, we are here to report. The context in which the pullout is taking place is very interesting. [words indistinct] a statement was made yesterday by the commander of the Western Group of the Russian Armed Forces which says that the withdrawal of the Russian troops from Poland has been suspended.

Furthermore, there is considerable tension in Latvia and Estonia. [passage indistinct] The entire Caucasus is on fire, and a real war is currently taking place on the Tajikistan-Afghanistan border. All these seats of tension which currently exist on the territory of the former Soviet Union cannot help but influence such significant processes as the pullout of Russian troops from a state which was formerly on the territory of the Soviet Union. [passage omitted]

Today I can say that less than 3,000 Russian servicemen remain in Lithuania, and all of them are working intensively on the withdrawal of the troops. In fact, the only ones here are those groups from the main Russian divisions, or military units, which are engaged in loading and dismantling work [passage indistinct].

Our cooperation with the Russian Defense Ministry and the General Staff's fast action group, which should ensure the efficient withdrawal of the Russian troops, is good. Until now we have not noticed any impediments to this work. There is common understanding and agreement between us, because the Russian side is very interested in withdrawing the troops by the beginning of the autumn so that they will have time to find accommodation for the officers' families and the military units. We are also interested in taking over all the military bases as soon as possible [passage indistinct].

Therefore, I think that at the moment there is no cause for concern. I will gladly answer your questions [passage indistinct].

[Unidentified correspondent] Esteemed Colonel, could you give us some technical data on how the withdrawal is progressing?

[Knezys] Ladies and gentlemen, I would like to say that the withdrawal of the Russian troops is progressing very actively. At the moment there are no Russian military units with heavy military equipment on the territory of Lithuania. I have in mind tanks, armored personnel carriers, and ordnance. Practically all the heavy military equipment has been withdrawn. The remains of the military property are being withdrawn now. Of the five divisions, one division was completely withdrawn by the end of last year. Of the two remaining airborne troop divisions, each one has only one-third of the division command staff, according to the number of people, and less than one regiment of each remains. These regiments should be practically pulled out by (?28) August.

The withdrawal of 18th Air Transport Division has been concluded. Two airports have already been handed over. A third has also been handed over. In about a week the withdrawal of the 18th Air Transport Division will be completed. [sentence as received]

Regarding the 3d Coastal Defense Division and the military units deployed in the Klaipeda region, I can say that so far not a single military unit in the composition of this division has been completely pulled out. However, the withdrawal of the military equipment and ammunition is proceeding rather actively. The withdrawal of the military equipment and artillery from this division has been 100-percent completed; the withdrawal of engineering equipment is 75-percent complete; and the withdrawal of other property is 70-percent complete.

I spoke to the commander of the division yesterday. He told me that (?all the remaining property) will be withdrawn by 25 August.

There are certain problems with the other remaining units. One of the three military hospitals is currently in the process of being handed over, but for the other two, one in Vilnius and the other in Kaunas, the transfer has not yet started [passage indistinct].

I would say that there are no serious problems at the moment regarding the withdrawal of the Russian troops, but it will not be an easy task to complete the pullout of the Russian troops by the fixed date.

The greatest problem is being caused by the two large former ammunition storehouses [passage indistinct]. All in all, 10,500 railway carriages have been were used to withdraw the Russian troops. It was not an easy task to have them loaded up in such a rather short period of time. About 4,000 families of servicemen have already left. At the moment the families of servicemen are leaving in great numbers. Thank you.

[Butkevicius] In summing up, I would like to say that while assessing all the work which we have so far carried out and the work which still needs to be carried out, I do not see any serious obstacles for the completion of the withdrawal of the Russian troops by 28 August. There are no special technical difficulties which would allow the Russian side to maintain that the withdrawal of the

troops by this date is impossible. Any impediment placed in the withdrawal of the troops would be a political step.

[Unidentified correspondent] [Question indistinct]

[Butkevicius] Our view on the last day of the troop withdrawal has been presented in a letter to the president of the Republic of Lithuania and to the government. A number of measures have been planned for this day. The objective of these is two-fold: to demonstrate that Russia has fulfilled its obligation to pull its troops out of the territory of Lithuania, and to demonstrate that Lithuania is the first territory in the former Soviet Union from which Russia has withdrawn its troops, according to the agreements, and that our status and the situation after the withdrawal has changed.

This should be a friendly celebration for both states. We are inviting representatives from the Russian Federation, and we are inviting our closest neighbors and friends from Europe, including the NATO countries. This question has been coordinated with representatives of the Russian Federation. [passage omitted]

[Unidentified correspondent] What about the possible suspension of the troop withdrawal?

[Butkevicius] I think that (?we have had such apprehensions all the time) because the Russian side is making statements concerning the withdrawal of troops from other states. For example, I have already mentioned yesterday's statement by the commander of the Western Group of Troops concerning Poland.

With the existing tense situation in Russia, many people expect that [words indistinct] which would make impact on the withdrawal of the troops. However, I have already mentioned that so far there are no technical preconditions or technical or political reasons for the suspension of the troop pullout.

[Radio Free Europe correspondent] Radio Free Europe. Did the president ask your opinion whether he should go to Moscow or not? Do you think it is worthwhile going to Moscow now to sign the treaty?

[Butkevicius] I know that the president discussed this question with the negotiating delegation. I have already presented my point of view. In my opinion, a document which determines Russia's international obligation to pull the armed forces out of Lithuania and the procedure of the execution of this obligation has been signed. Another document, i.e., an agreement between Lithuania and Russia, can be signed and must be signed only when the interests of both sides have been coordinated by acceptable means to both parties.

At the moment both parties are not on equal footing; foreign troops are deployed on our territory. It goes without saying that our position in such negotiations is more complex. I would think that the negotiations will become easier after the Russian troops have been withdrawn.

[Lithuanian TV correspondent] Lithuanian TV. Mr. Knezys, there has not been much information about joint military armored vehicle and helicopter enterprises. What is the situation now? Have they left, and is it really true that there will be no joint military enterprises?

[Knezys] At present there have been no talks about joint enterprises. No practical steps have been taken to establish military joint enterprises. All the Russian military enterprises, as are the military units, are being pulled out. The transfer of the military enterprise in Siauliai is nearing completion. The enterprise in Panevezys will be handed over in the nearest future because the transfer process has already started. The hand-over of the armored vehicle maintenance area in Kaunas has already started. So far many problems have arisen concerning the helicopter maintenance enterprise in Kaunas, because the time allotted for the hand-over is very short. [passage omitted]

[Butkevicius] Regarding the question about the tensions in the post-empire region, in my opinion it is absolutely clear that two main large-scale processes are taking place. There first is the process of the disintegration of both the former Soviet empire and today's Russia. The economic situation leads to the appearance of certain autonomous areas, and these autonomous parts do not correspond to the control mechanism of the present-day Russian state and the entire post-empire region. There are no other new mechanisms, and this increases the tension and creates the impression that now, after the collapse of the Soviet Union, Russia is also collapsing.

A second process is taking place at the same time: the process of centralization. Both the present-day Russian Government and its opposition speak for the preservation of the unitary state as such. Various measures are applied for this purpose, to preserve the unitarian state. I cannot make any prediction about which of the two processes or trends will prevail, but one thing is becoming evident: The tensions will continue to grow. [passage omitted]

The sooner we manage to have the troops of the former Soviet Union—the present-day Russian troops—pulled out, disregarding the quantity of stolen boards or an oil container, the better it will be for all of us. [passage omitted]

We have three groups of problems regarding transit through Lithuanian territory. One is the transit of the Russian troops withdrawing from Germany. This is clearly an obligation undertaken by Lithuania for our neighbors in Europe. We received various forms of political assistance so that the Russian troops would be withdrawn from Lithuania. Therefore there cannot be any talk about even some restrictions in these matters. [passage omitted]

The next group of problems is related to transit through Lithuania from Kaliningrad to Russia—I have in mind military transit. Here there is also a common European

interest in reducing such a huge concentration of troops in the Kaliningrad region today. [passage omitted]

The third group of problems concerns the transit from Russia to Kaliningrad Oblast—I am again referring to military transit. This group of problems is linked to the withdrawal of the Russian troops from our state and also to the withdrawal of troops from Latvia and Estonia. We have to coordinate these issues with our neighbors Latvia and Estonia first, and only then start relevant negotiations on possible transit. I think that discussions with Russia on this issue can start only after agreements on clearly defined conditions and the terms of the troop withdrawal from Latvia and Estonia have been signed. However, this is my personal point of view. [passage omitted]

No state today can ensure its security by relying on its own forces only, Russia and the United States included. Therefore, mechanisms for collective security which would enhance our common security must be found. [passage omitted]

The instability in the entire post-empire region, which I mentioned before, causes another problem. Speaking about the guarantee of security and the strengthening of security without finding a possibility for new relations with Russia would be strange, to say the least. The isolation of Russia and the entire post-empire region from Europe does not enhance security either. Therefore, the main issue is the search for new relations in the security sphere. [passage omitted]

Lithuania must look for guarantees and mechanisms which would strengthen its security and which would be efficient in a period of a crisis. Certain possibilities for forming groups arise, perhaps first of all within the framework of the North Atlantic Cooperation Council. There could be cooperation between the states around the Baltic Sea and a search for methods to strengthen security. [passage omitted]

I am not talking about any military blocs; what I mean is a coordination of interests. Another possibility is the three Baltic states and the former states of the Kaliningrad triangle. Yet another sphere is Ukraine, Belarus, and Russia. [passage omitted]

This is especially important to Lithuania because Lithuania is between the East and the West. Therefore, the main objective of our security policy should be to establish a certain balance of interests and influence. [passage omitted]

### Official Denies Suspension of Russian Troop Withdrawal

*WS0408150893 Tallinn BNS in English 1823 GMT 3 Aug 93*

[Text] Vilnius, Aug 03, BNS—There are no actual signs that the Russian troop withdrawal was suspended, said Colonel Stasys Knezys, Lithuania's commissioner for the Russian army withdrawal and head of the Joint Chiefs of Staff.

Knezys' report runs contrary to Russian foreign ministry threats to slow the withdrawal pending Lithuania's signed agreement on the process.

The colonel said he spoke to a member of the Russian defense ministry group for troop withdrawal. The two discussed "nothing more than to make the best possible arrangements for the final stage of the pull out," he said.

Knezys said 3,000 Russian soldiers remain in Lithuania, compared to the 22,000 men in September 1992, when Lithuania signed the withdrawal schedule. The Russian troops are withdrawing actively, he said. The pull out of the third coast guard division is almost completed. Several companies of the Russian paratrooper divisions will leave soon.

### Parties Note 'Concern' Over Negotiations With Russia

*LD0408155193 Vilnius Radio Vilnius Network in Lithuanian 0800 GMT 4 Aug 93*

[Text] The Lithuanian Christian Democrats party, the Party of Independence, the Lithuanian Democrats Party, the Union of the Fatherland, and the Lithuanian Nationalist Union have issued a public statement.

The statement voices concern over the apparent efforts made by Russia to preserve and to strengthen its interest in maintaining the dependence of Lithuania and other Baltic states on Russia by concluding the relevant agreements as quickly as possible. The integration objectives officially declared by Russia are thereby being implemented. Different demands are being made to each country, so the president of Lithuania and the government are faced with a considerable responsibility.

The statement also stresses that the Lithuanian president and Government are continuing to move further away from the continuity of the policy of the state of Lithuania. Former fundamental positions of the state of Lithuania in the negotiations with Russia are being changed.

We would like to note that Russian-Lithuanian international agreements signed on 8 September 1992 and registered with the United Nations, which are being carried out, are sufficient for the withdrawal of the remaining units of the occupational army by 31 August 1993. There is no need for any additional agreements.

The political parties which have signed the agreement therefore propose that the meeting of the presidents of the Russian Federation and the Republic of Lithuania take place after the occupation troops had left Lithuanian soil.

The meeting should proceed not according to the order dictated by Russia but according to the time table

coordinated by both states. The participants at the meeting should discuss the most important problems in Russian-Lithuanian relations after the withdrawal of the occupation troops, including the procedure of compensation for the damage inflicted during the period of the occupation and determining equal economic relations with Russia.

The political parties are also concerned with the position taken by the Lithuanian Government on the following: Under the cover of setting up joint enterprises with Russia, negotiations are being held on how to satisfy Russia's interest in taking over the ownership of the property of the Republic of Lithuania in strategically important spheres of the Lithuanian economy.

The policy of the visa-free state border regime with Russia and other CIS countries pursued by the Lithuanian Government, in contrast to that pursued by the Governments of Latvia and Estonia, is dangerous. It is desirable to reinforce the uncontrolled transit through the territory of Lithuania to the Kaliningrad region by concluding agreements.

(?All this indicates) a concrete manifestation of the policy of reintegrating into Russia, as pursued by the Lithuanian Democratic Labor Party and its government.

The statement also protests the Lithuanian president's visit to Moscow, on Russia's invitation, to sign the outdated agreement on the withdrawal of troops with the amendments dictated by Russia. The statement says: Concluding agreements of this kind can be regarded only as renouncing the fundamental legal concepts of Lithuania, which is incompatible with loyalty to the Republic of Lithuania and runs counter to her interests. The statement urges the Lithuanian president and Government to renounce [words indistinct].

## More Radioactivity Discovered at Former Russian Army Base

*WS0608092193 Tallinn BNS in English 1615 GMT 5 Aug 93*

[Text] Vilnius, Aug 05, BNS—Experts discovered six square meters of radioactive soil at a former Russian army base in Panevezys, Lithuania.

The radiation was detected while Lithuanian experts were taking over the base. The levels exceed permissible norms by 10 times, the newspaper Lietuvos rytas reported. Lithuanian TV says the level exceeds the standard radiation background by 100 times.

Lithuanian specialists say that the soil was polluted by airplane engines that were brought to Panevezys for repairs. The engines may have been brought from Chernobyl. The former army base was used earlier to repair Soviet jet fighters.

There is a possibility that more contaminated areas may be found on the former army base, which covers seven square kilometers.

The newspaper says the radioactive soil is not very hazardous, but the Russian military promised to remove it from Lithuania soon.

Russians recently removed some radioactive waste found on another former Soviet airfield near Siauliai.